The Politics of Federalism

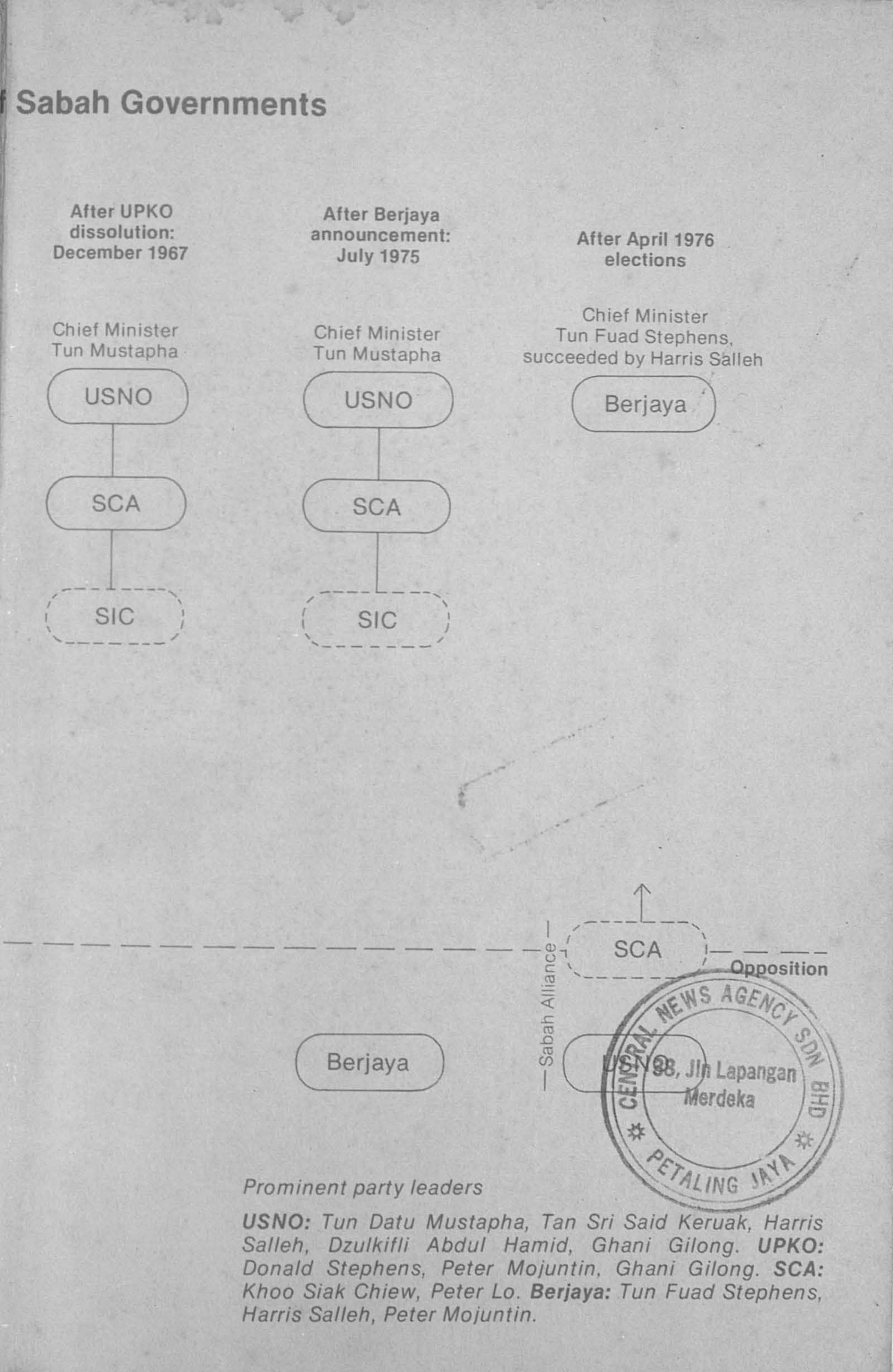
BRUCE ROSS-LARSON

Party Composition of

On Malaysia Day: September 1963	After June 1964 indirect elections	After formation of Mustapha government: May 1967
Chief Minister Donald Stephens	Chief Minister Donald Stephens	Chief Minister Tun Mustapha
USNO	USNO	USNO
UNKO	UPKO	SCA
P M	SCA (SANAP)	SIC
SCA (SANAP)	SIC	
SIC		
Sabah Alliance		
Opposition		UPKO

indicates holding no Assembly seats

f Sabah Governments

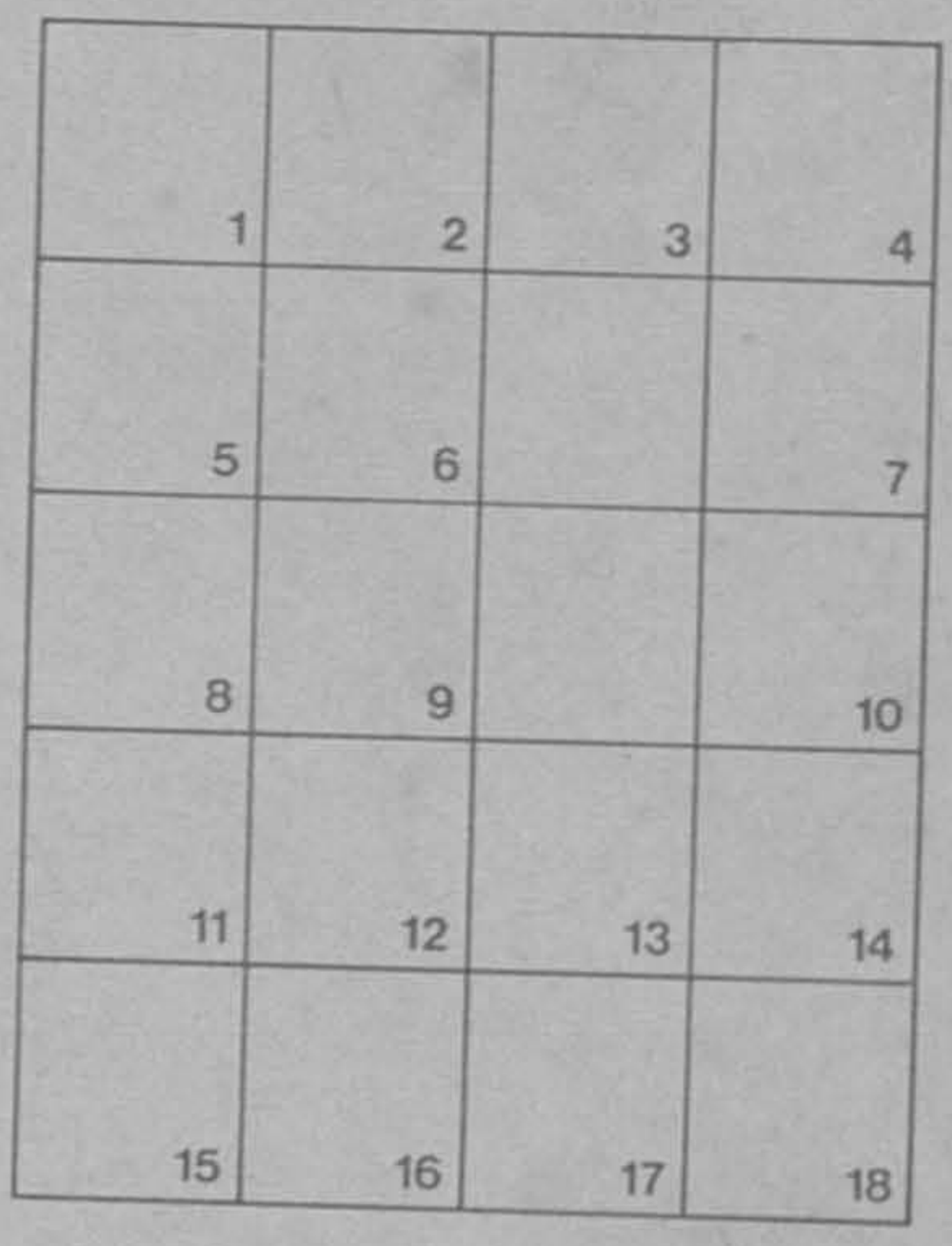


Prominent party leaders

USNO: *Tun Datu Mustapha, Tan Sri Said Keruak, Harris Salleh, Dzulkifli Abdul Hamid, Ghani Gilong.* ***UPKO:*** *Donald Stephens, Peter Mojuntin, Ghani Gilong.* ***SCA:*** *Khoo Siak Chiew, Peter Lo.* ***Berjaya:*** *Tun Fuad Stephens, Harris Salleh, Peter Mojuntin.*

CENTRAL NEWS AGENCY SDN BHD
98, Jln Lapangan Merdeka
PETALING JAYA

COVER KEY



1 Tunku Abdul Rahman
2 Tun Abdul Razak
3 Tun Datu Mustapha
4 Tun Mohammed Fuad Stephens
5 Datuk Hussein Onn
6 Tengku Tan Sri Razaleigh Hamzah
7 Datuk Abdul Rahman Yakub
8 Ghafar Baba
9 Tan Sri Said Keruak
10 Tan Sri Temenggong Jugah
11 Datuk Ghani Gilong
12 Datuk Peter Mojuntin
13 Datuk Harris Salleh
14 Datuk Abdul Taib Mahmud
15 Datuk Dzulkifli Abdul Hamid
16 Thomas Kana
17 Penghulu Tawi Sli
18 Datuk Stephen Kalong Ningkan

Photo credits:
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Cover design by Banyan Productions Pte Ltd, Singapore.

THE POLITICS OF FEDERALISM

Acc. no: 150 25/77.

Bruce Ross-Larson

The Politics of Federalism

SYED KECHIK IN EAST MALAYSIA

Singapore
Bruce Ross-Larson
1976

First published December 1976 by
Bruce Ross-Larson
195-b Penang Road, Singapore 9

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Printed in Singapore by Times Printers Sdn. Bhd.

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Preface

Politically biographies typically focus on the public personalities seen as principal actors on the political stage. Often, however, behind-the-scene strategists play an equally important role in determining the course of political events. This was the case in Sabah during the period 1965-76 when Syed Kechik bin Syed Mohamed, a Malay lawyer who previously had been working in government in the Malaysian federal capital of Kuala Lumpur, acted as political adviser to Tun Mustapha and his United Sabah National Organization (USNO). A highly symbiotic relationship developed between these two men, and many political strategies instrumental to Tun Mustapha's rise and reign as Chief Minister of Sabah were the result of this combination. Syed Kechik's influence spread on occasion to Sarawak, where he was also involved in shaping fundamental political circumstances. It seemed reasonable, therefore, to undertake an account of political events in Sabah, and to lesser extent in Sarawak, from the viewpoint of Syed Kechik—a viewpoint distinct from the reportage in the Malaysian press, from the interpretations in other books written on East Malaysian politics, and from that of the public personalities involved.

Pursuing this viewpoint necessarily skews the description of events away from the objectivity of a dispassionate overview. But any analysis of political events, indeed any history, is subjective to the extent that analysts select certain decisions,

actions, and events to highlight and develop their arguments. This has never deterred them from wearing the mantle of objectivity. The approach here adopted also skews the portrayal of many personalities involved, particularly the antagonists, to the pointed and not the fully three-dimensional. As a result, the facets turned for purposes of the narrative are simply that—single facets of multi-faceted personalities—and the reader should appreciate that those cast in a less than favourable light have their intrinsic virtues, just as those portrayed favourably have their intrinsic flaws.

A few comments should be made regarding nomenclature, particularly Malay terms. A *kampung* is a village. A *penghulu* is a village headman, called an *orang tua* in Sabah. These traditional positions have been institutionalized and many *penghulus* and *orang tuas* now receive salaries as appointed government servants and wield their limited powers over domains larger than a single village. The *Istana* is the Head of State's official residence in Sabah, just as the *Astana* is the Governor's official residence in Sarawak. The word, *bumiputra*, can be literally translated as 'son of the soil' and was brought into parlance to distinguish the indigenous peoples from the non-indigenous, ie. the Chinese and Indians who migrated to what presently is Malaysia. The term should not be confused with Bumiputera, the abridged name of Party Bumiputera Sarawak, even though the meaning is the same.

The majority of other Malay terms used are titles. *Yang di-Pertuan Agung* is the title of the Supreme Ruler, or King, of Malaysia; *Yang di-Pertuan Negara* is the title of Sabah's Head of State. *Tunku* and *Tengku* are hereditary titles denoting links with the royal families of the peninsular states. *Datu* is a hereditary title denoting links with the Sulu Sultanate in Sabah and with the Malay aristocracy in Sarawak. *Tun* and *Tan Sri* are conferred titles, accorded with federal awards made by the *Yang di-Pertuan Agung*. *Datuk* is also a conferred title, accorded with awards made by the rulers in each state. Because most of the personalities discussed in this book have received awards conferring the title, *Datuk*, I have chosen to preface their given names with their title only once, subsequently referring to them by their given name. The exception is Datuk Hussein Onn, the present Prime Minister, and it is

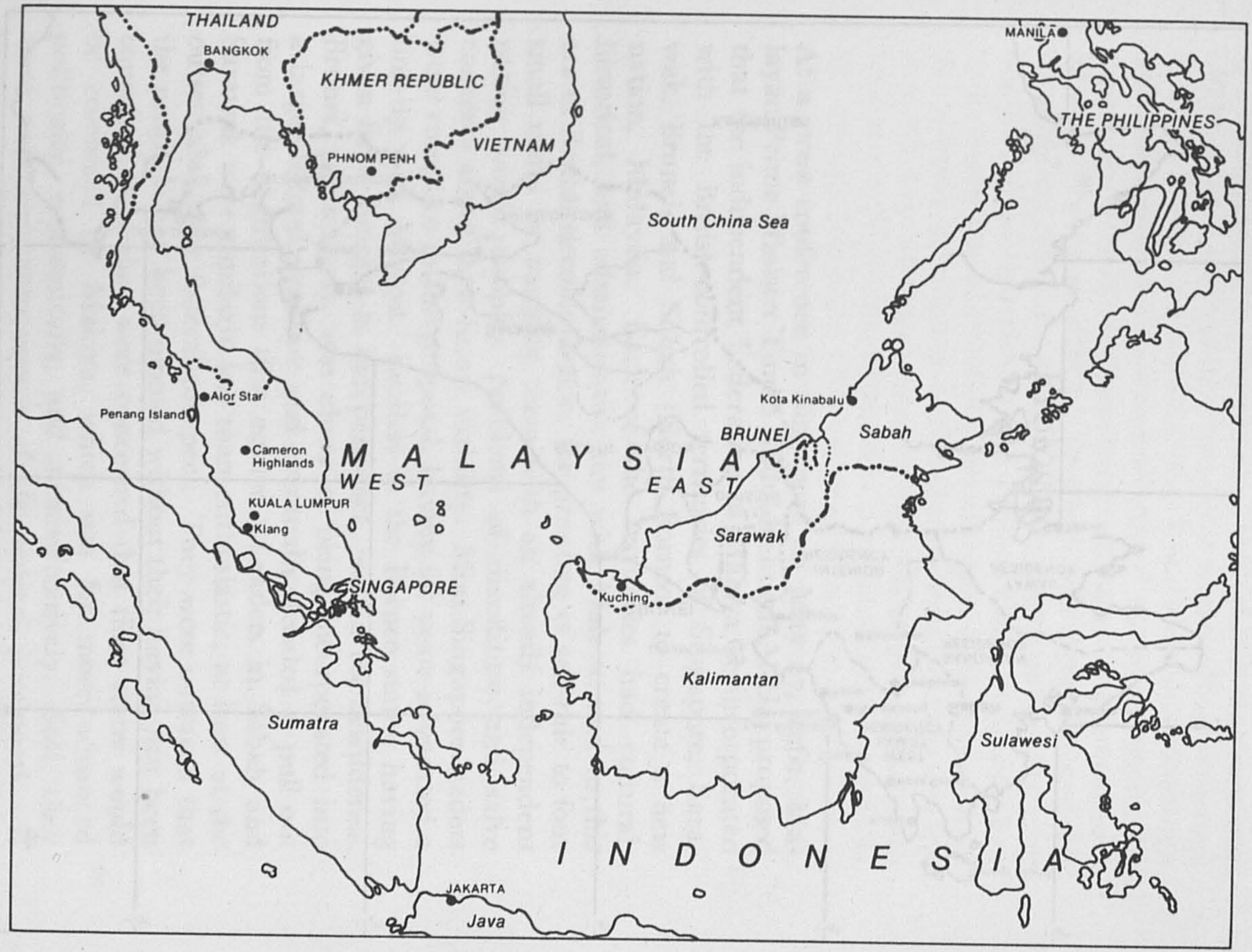
hoped that the other *Datuks* do not feel slighted. Titles accompanying federal awards, on the other hand, preface given names with each mention after the time of their conferral. Thus, Datu Mustapha of the prologue is subsequently referred to as Tun Mustapha because of his receiving the award in 1964. Some of the personalities have changed their names during the period covered by the narrative, and the name used corresponds with their name at the appropriate point in time. Thus, Donald Stephens in the earlier chapters is referred to as Tan Sri Mohammed Fuad Stephens after his conversion in 1971 and as Tun Mohammed Fuad Stephens after 1973. Because of the likely difficulties for readers unfamiliar with Malaysian names, a glossary of personages frequently mentioned has been appended for reference.

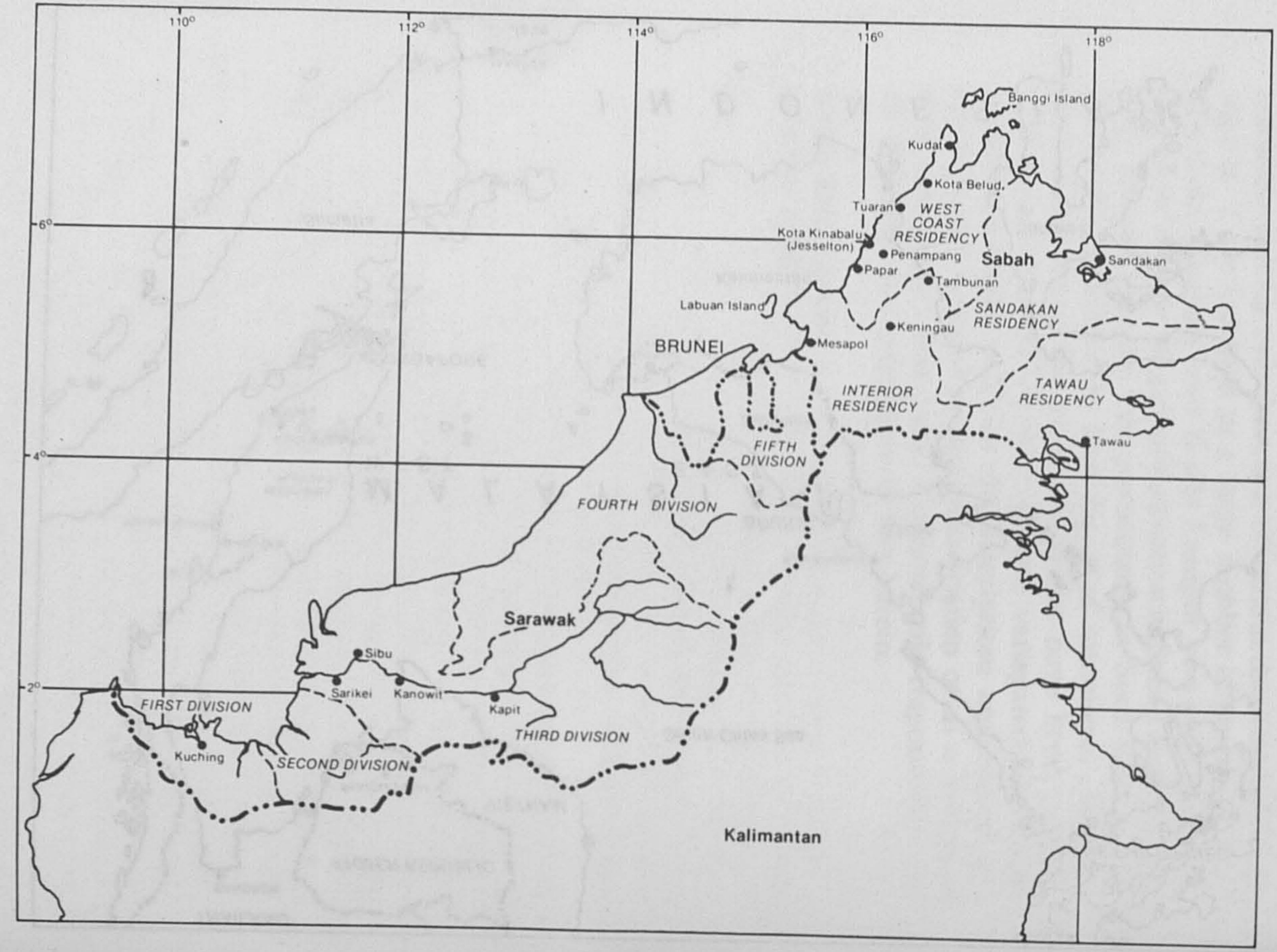
The term, East Malaysia, also requires clarification. For many years, Sabah and Sarawak were referred to as East Malaysia and the states of the Malay Peninsula as West Malaysia. In 1973, it was decided that this sounded too much like East and West Pakistan, with all the attendant unsavoury connotations, and an official directive was issued to government bodies and the media instructing that the West Malaysian states should subsequently be referred to as Peninsular Malaysia and the East Malaysian states as Sabah and Sarawak. Because many overseas readers may know of Malaysia, but not Sabah or Sarawak, the earlier practice is adhered to in certain contexts for the sake of clarity. It should also be noted that all currency figures are in *ringgit*, the Malaysian currency unit popularly referred to as the Malaysian dollar. In 1976, the Malaysian dollar was roughly equivalent to US $0.40 and 20 New Pence Sterling.

Research for this book consisted mainly of interviews and the analysis of government documents, personal files, and newspaper reports. Three published works were also useful: Margaret Roff's *The Politics of Belonging: Political Change in Sabah and Sarawak*, published by Oxford University Press in 1974; Michael Leigh's *The Rising Moon: Political Change in Sarawak*, published by Sydney University Press in 1974; and R.S. Milne's and K.J. Ratnam's *Malaysia—New States in a New Nation: Political Development of Sarawak and Sabah in Malaysia*, published by Frank Cass in 1974. These works are

essentially scholarly and cover political events in Sabah or Sarawak only up to the early 1970s, but were valuable for reference and the corroboration of various dates and electoral figures. I am indebted to a large number of people in Kota Kinabalu, Kuching, and Kuala Lumpur who gave their time to discuss with me the political situation in Sabah and Sarawak over the past decade, and particularly to Syed Kechik who graciously submitted to long hours of interviews. Without their cooperation, this book would not have been possible. It is hoped that the product of these variegated discussions is fairly portrayed and that the descriptions and conclusions are regarded by none as misrepresentation or as a breach of their confidence. Naturally, I assume sole responsibility for all the views and statements of fact herein.

Bruce Ross-Larson
October 1976


THAILAND
BANGKOK
KHMER REPUBLIC
VIETNAM
PHNOM PENH
South China Sea
MANILA
THE PHILIPPINES
Kota Kinabalu
BRUNEI
Sabah
Alor Star
Penang Island
Cameron Highlands
MALAYSIA
WEST
EAST
KUALA LUMPUR
Klang
Sarawak
SINGAPORE
Kuching
Kalimantan
Sumatra
Sulawesi
INDONESIA
JAKARTA
Java


110°
112°
114°
116°
118°
6°
4°
2°
Banggi Island
Kudat
Kota Belud
Tuaran
WEST COAST RESIDENCY
Kota Kinabalu (Jesselton)
Penampang
Papar
Sabah
Sandakan
Tambunan
Labuan Island
SANDAKAN RESIDENCY
Keningau
BRUNEI
Mesapol
INTERIOR RESIDENCY
TAWAU RESIDENCY
Tawau
FIFTH DIVISION
FOURTH DIVISION
Sarawak
Sibu
Sarikei
Kanowit
Kapit
FIRST DIVISION
THIRD DIVISION
Kuching
SECOND DIVISION
Kalimantan

Prologue

At a press conference in Singapore on May 27, 1961, Malayan Prime Minister Tunku Abdul Rahman Al-Haj proposed that the independent Federation of Malaya be incorporated with the British-controlled territories of Singapore, Sarawak, Brunei, and Sabah (North Borneo) to create a new nation, Malaysia. Each of the territories had cultural, historical, and administrative ties with Malaya, and in this era of British decolonization, the granting of self-rule to four small states by merging them with an already independent nation would simplify problems of divestiture and salve concerns about their future viability. Most Singapore leaders were receptive to the proposal, having for years advocated a link-up with Malaya. Leaders in the Borneo states, having given little thought to independence, were a bit bewildered. Brunei, particularly, was chary of being incorporated into a larger federal structure and eventually decided to pull out from the negotiations that ensued. Leaders in Sabah and Sarawak were similarly less than enthusiastic, at least at the outset, about the federal prospect. They were outraged that the proposal had been mooted without their having first been consulted, and they were concerned that their states would be colonized by Malaya, which was far more advanced politically, economically, and administratively. Still, they were necessary components of the federal patchwork. If Singapore alone were to merge with Malaya, its predominantly

Chinese population would reduce the majority enjoyed by Malays in Malaya to an uncomfortable minority, and this was unacceptable to Malay leaders. By bringing Sabah and Sarawak in, the Malays and other indigenous groups would constitute a majority.

Ethnically, the Borneo states are far more complex than Malaya and Singapore, where the essential breakdown is Malays, Chinese, and Indians. In Sabah, for example, 38 separate ethnic groups were listed in the 1960 census. For political purposes, however, the populations of Sabah and Sarawak, which respectively totalled about 500,000 and 750,000 in 1960, are considered as comprising non-Muslim indigenous people, Muslim indigenous people, and Chinese. This is not strictly correct, as leaders in Kuala Lumpur were later to discover, but it does provide a general picture. In Sabah, Kadazans (28%) are the largest of the non-Muslim indigenous groups, and the Muruts (4%) are the other non-Muslim indigenous group of note. The Bajaus are the largest Muslim group, followed by the Bruneis, Suluks, and Illanuns, and together these groups constitute more than one-third of the population. The Chinese (24%) and various other ethnic groups make up the balance. In Sarawak, the Ibans (30%) are the largest non-Muslim indigenous group followed by the Land Dayaks (8%). Sarawak Malays and Melanaus are both Muslim groups and form nearly one-quarter of the populace. The Sarawak Chinese (30%) and a smattering of smaller groups make up the balance. This ethnic complexity gave rise to less than clear-cut political party alignments, unlike in the Peninsula where, with the exception of opposition parties, the United Malays National Organization (UMNO) represented the great majority of Malays, the Malayan Chinese Association (MCA) the Chinese, and the Malayan Indian Congress (MIC) the Indians.

At the time of the Tunku's proposal, Borneo politics were undeveloped. Traditionally, the lands of Sabah and Sarawak had respectively been under the control of the Sultans of Sulu and Brunei. Sabah came under the control of the North Borneo Chartered Company in 1881, when it was made a British protectorate. Sarawak, under the control of the *raj* first established by Sir James Brooke in 1841, also became a

protectorate in 1881. As protectorates, the territories were ruled almost privately—one as a company, the other as a personal domain—until the Japanese Occupation in 1941. Although Malays were drawn into the civil service in Sarawak, and Kadazans into the civil service in Sabah, the notion of the noble savage prevailed as a latter day anachronism, and few efforts were made to involve the people of these territories in their own governance. When the British Military Administration picked up the pieces in 1945, it was clear that the third Rajah Brooke and the penniless Chartered Company were not able to undertake reconstruction. Consequently, the sovereignty of both territories was transferred to the British Crown in 1946. Although it was Britain's intention to prepare Sabah and Sarawak for eventual independence, colonial rule did not differ substantially from private rule, and few constitutional advances were made over the next fifteen years. Legislative and executive councils operated in both colonies, but their memberships were largely appointive. It was only after the proposal for Malaysia was made that political activity got into full swing.

The first political party established in Sabah was the United National Kadazan Organization (UNKO). Founded in August 1961 by Donald Stephens, a timber man and newspaper owner, the party attracted the support of Kadazans of the West Coast and Interior Residencies. This was followed in December 1961 by the formation of the United Sabah National Organization (USNO) by Datu Mustapha bin Datu Harun, a traditional Suluk leader who had served as a native chief and, like Stephens, had been a member of the early legislative and executive councils. Although USNO was structured as an all-native party, its membership comprised mostly Bajaus, Suluks, and other coastal Muslim groups, and it was controlled largely by Suluks because of Datu Mustapha's position as President. In January 1962, the United National Pasok Momogun Party (Pasok Momogun) was established by G.S. Sundang, a Murut leader, to provide a multi-racial alternative to UNKO, which seemed to be controlled by Kadazans without regard for other Dusuns. Immediately thereafter, two Chinese parties were registered. The United Party, based in Sandakan, was founded by

Khoo Siak Chiew, and the Democratic Party, based in Jesselton, by Peter Chin. These merged a few months later as the Borneo Utara National Party (BUNAP). In general, the Christians supported UNKO; the Muslims, USNO; the Chinese, BUNAP; and the Muruts and animist Kadazans, Pasok Momogun.

In Sarawak, party formation began with the establishment of the Sarawak United People's Party (SUPP) in June 1959 in anticipation of the Kuching municipal elections scheduled later that year. From the outset, its most influential leaders were Stephen Yong and Ong Kee Hui, both prominent businessmen, but its multi-racial, socialist platform opened it to infiltration by leftists and communists. In April 1960, Party Negara Sarawak (PANAS) was formed by Abang Haji Mustapha, a First Division Malay leader, as an essentially Malay, although avowedly multi-racial, party to oppose the political influence of the Chinese in SUPP. The Sarawak National Party (SNAP) was formed in March 1961 and supported by Second Division Ibans and Fifth Division Chinese. Stephen Kalong Ningkan, a Second Division Iban who had worked as a hospital assistant with the Shell Company in Brunei, was the party's first Secretary-General and became its most influential spokesman. The Barisan Rakyat Jati Sarawak (Barjasa) was formed as a Muslim alternative to PANAS in December 1961 and drew most of its support from Second and Third Division Malays and Melanaus. Two legally-trained civil servants instrumental in Barjasa's early growth, although not at first in the membership because they held government posts, were Abdul Rahman Yakub and his nephew, Abdul Taib Mahmud. With the growing prospect of Malaysia, the Sarawak Chinese Association (SCA) was established in July 1962 by businessmen Ling Beng Siew and William Tan as a conservative alternative for Foochows and Teochews to the vehemently anti-federal SUPP, which was predominantly Hakka and Hokkien. The Party Pesaka Anak Sarawak (Pesaka) was also established in July 1962 as an Iban party that drew its support from Third Division Ibans to counter the Second Division Iban thrust of SNAP. Temenggong Jugah, the traditional leader of Third Division Ibans, left PANAS to join with four Third Division penghulus in

forming the party, and he became its first President. Given the avowed multi-racialness of most of Sarawak's political parties, the relationship between ethnic group and party affiliation was more blurred than in Sabah.

Just as public opinion in Sabah and Sarawak over the Malaysia question was divided into pro-Malaysia, anti-Malaysia, and anti-independence camps, so also were the leanings of political parties. The opening platforms of most parties in the two territories were against Malaysia, but gradually the sentiments shifted in favour of the federal concept, with varying degrees of concern for the rights to be retained by the states. The most resolute anti-Malaysia party, SUPP, maintained its stance for many years. Chinese parties initially opposed the Malaysia concept because of their concerns about what federation might mean for their business interests. Non-Muslim native parties, seeing opportunities for economic advancement vis-à-vis the Chinese, favoured Malaysia, but with the proviso that state's rights be jealously guarded. Muslim native parties were the most vocal in their support of the Malaysia concept and the least concerned about safeguards, seeing the possibilities of their being politically linked with the powerful UMNO in the Peninsula.

Several official bodies were formed to resolve these differences of opinion and assess whether the people of the Borneo states in fact wanted to join Malaysia. The Malaysian Solidarity Consulative Committee (MSCC) was formed in 1961 to consider the full implications of federation for the would-be partners. The Cobbold Commission, named for its chairman, Lord Cobbold, assessed the leanings of people in Sabah and Sarawak towards the federal conglomerate. After two months' surveying in all reaches of the two states, the commission released findings that roughly one-third of the people favoured early federation with Malaysia and were not overly concerned about the conditions associated with their entry; a second third favoured early federation, but with reservations about the conditions of entry; the last third either wanted full independence before considering a link-up with Malaya or a continuation of British rule. The report of the commission was submitted in July 1962 and recommended that Sabah and Sarawak enter the proposed federation with

rigid protection of their rights. It was subsequently announced on August 1, 1962 that the decision had been made in principle to form Malaysia by August 31, 1963. An Inter-Governmental Committee was created to draw up necessary legislation—the Malaysia Agreement and the Malaysia Act—and incorporate the requirements of the member states.

In these negotiations, the Twenty Points emerged as the conditions for Sabah's entry, echoing the sentiments of leaders in Sarawak. These points dealt largely with constitutional safeguards to protect their positions in the federation regarding such matters as religion, language, education, immigration, representation in the federal government, and control of the civil service. The intent of the safeguards was to give state leaders the illusion of having greater control than they in fact possessed, but illusions which they were to take very seriously. It was also agreed that the federal government, during the first five years of Malaysia, would allocate $300 million in federal funds to Sarawak and $200 million to Sabah. In essence, the various official bodies were a whitewash that enabled proceeding with what had been agreed between leaders in the various territories, and it is probable that few people in either of these states really comprehended what Malaysia was all about.

To get the process of constitutional development rolling in Sabah and Sarawak and better prepare their leaders for participation in the federation, elections were held in Sabah in December 1962 and May-June 1963 and in Sarawak in April-June 1963. The electoral pattern in both states was three-tiered: representatives were popularly elected to district and local councils, electors were chosen from among these representatives, and members of the legislative assemblies in both states (called the Council Negeri in Sarawak) were selected by the electors. Cabinets were formed by parties forming the majority in coalition, and after Malaysia was formed, the assemblies selected representatives to the federal parliament. The results of these council elections are important to an understanding of what later would unfold.

In the Sabah elections to 137 district and local council seats, USNO won 53, UNKO 39, the SCA 27, Pasok Momogun 12, and independents six. Four electoral colleges, one for

each of the four residencies, were formed from among these councillors to select the members of the Legislative Assembly, where seats were allocated as follows: USNO eight, UNKO four, SCA four, and Pasok Momogun one. Before the elections, USNO, UNKO, the SCA, and Pasok Momogun united to form the Sabah Alliance Party, along the lines of the national Alliance Party of UMNO, MCA, and MIC in the Peninsula, but nevertheless contested against each other in constituencies where predominance was not clear-cut. Of the 429 councillors elected to the 24 district councils in Sarawak, SUPP won 115 seats, independents 117, PANAS 59, SNAP 48, Barjasa 44, Pesaka 43, and the SCA three. From among themselves, the councillors selected representatives to five divisional councils, one for each of the five divisions, and these representatives selected the 36 members of the Council Negeri, who subsequently were augmented by three nominated members appointed by the cabinet and three *ex officio* members. Before the elections, Barjasa, SNAP, Pesaka, and the SCA united to form the Sarawak Alliance Party. PANAS had originally joined, but pulled out just before polling began to enter into partnership with SUPP. The improved bargaining which accrued to the Sarawak Alliance was reflected in the distribution of seats in the Council Negeri. Of the 36 selected seats, Pesaka was given 11, SNAP six, Barjasa five, and the SCA one; PANAS and SUPP, as non-Alliance parties, were given five seats each. Three independents were also selected, one of whom, James Wong, joined up with SNAP as a result of his being appointed Deputy Chief Minister. Of the three appointed seats, two went to the SCA and one to Barjasa.

The ambivalence in Sabah and Sarawak about the proposed federation was removed by a series of external events. In June 1962, the Philippines restated their long-standing claim to Sabah, questioning the legitimacy of the original transfer from the Sultan of Sulu to express their discontent over the Malaysia concept. Indonesia was also unhappy with the proposed amalgamation of a string of neighbouring states which, unified, might later represent a threat. Their diplomatic discontent developed into the policy of armed confrontation that persisted until 1966. And in December 1962, the Azahari rebellion in Brunei and

northern Sarawak, which sought to unite the people of all Borneo against colonial oppression, evoked instead a greater understanding of the threat of communism to small, independent states. All three actions, intended to discourage the formation of Malaysia, strengthened the resolve of member states to proceed as quickly as possible. These conflicts did nevertheless make it necessary to bring in an international body, the United Nations Malaysia Mission (UNMM), and assess once again the desire of the people of Sabah and Sarawak to join the federation. This had the effect of deferring for a short while the time-table for merger. Although Malaysia was originally to have been formed on August 31, 1963, the UNMM did not release their endorsement rejoining the objections of Indonesia and the Philippines until September 13. Sabah and Sarawak, after being granted independence from Britain on August 31, merged with Singapore and Malaya to create the new nation of Malaysia on September 16, 1963. In Sabah, Donald Stephens was appointed Chief Minister, and Datu Mustapha, the Head of State; in Sarawak, Stephen Kalong Ningkan was appointed Chief Minister, and Datu Abang Openg, the Governor.

In the years preceding independence, political leaders in Sabah and Sarawak focussed almost exclusively on the issue of statehood. In Malaysia, they had suddenly to turn their attentions to governing the states in the federal context. This necessarily resulted in the emergence of inter-party tensions which required fundamental readjustments in political alignments and methods.

The first realignment in the Sabah Alliance took place before the June 1964 elections, in which the district and local council electors again selected the members of the Legislative Assembly because of the increase in the number of seats from 18 to 32. Immediately before the electors met, UNKO and Pasok Momogun merged to form the United Pasok-momogun Kadazan Organization (UPKO). (The Sabah National Party, formerly Borneo Utara National Party, subsequently merged with the Sabah Chinese Association (SCA), a community organization, and adopted their name.) The inter-party negotiations for seats were conducted within the Sabah Alliance framework, which by this time included

the Sabah Indian Congress (SIC), and the allocations were amicably agreed upon. USNO was given 14 of the elected seats, UPKO 11, the SCA seven; each of the four parties was given one of the four nominated seats, and the Speaker's post, the thirty-seventh seat, was held by a retired civil servant with no active party affiliation. Although USNO enjoyed numerical superiority in the Assembly, UPKO wielded greater power in the cabinet because of Stephens' holding the Chief Minister's post. Tun Mustapha had expected that, as Head of State, he would retain many functions previously in the purview of the all-powerful Governor. As it became increasingly apparent that most of these powers resided with the Chief Minister, Tun Mustapha's frustration increased. In December 1964, he refused to ratify the approval of Donald Stephens' recommendation for State Secretary. Although the issue was minor, it nevertheless was indicative of underlying tensions. To resolve the impasse, Prime Minister Tunku Abdul Rahman was called upon as mediator. The solution was for Stephens to resign as Chief Minister on December 31 and take up the post of federal Minister for Sabah Affairs. Replacing him as Chief Minister was Peter Lo, previously federal Minister without Portfolio, who was to act as a caretaker until general elections resolved the question of which party and person would hold the Chief Ministership. Tun Mustapha stayed on as Head of State, but the Sabah Alliance was decidedly more fragile than ever before.

In Sarawak, too, there were tussles between the Muslim native and non-Muslim native parties. One issue was legislation proposed to revise the zoning system for land. Previously, all natives had been issued a plot of land which could not be sold. This made it difficult for the Chinese to acquire land, and the new legislation was designed to make this easier. Before the bill was to be tabled in May 1965, a native alliance was formed, comprising Pesaka, Barjasa, and PANAS, but excluding SNAP and the SCA. Chief Minister Ningkan immediately expelled Barjasa from the Sarawak Alliance and sought to retain the support of Pesaka. The result was the formation of a new Sarawak Alliance of SNAP, Pesaka, and the SCA that excluded the Muslim parties, Barjasa and PANAS. After pressures from Kuala

Lumpur, Barjasa was readmitted into the Sarawak Alliance and cabinet, although it was effectively separated from the levers of power. The Sarawak Alliance had also become fragile, with non-Muslim native parties aligned against the Muslim native parties which in turn were aligned with Kuala Lumpur —a mirror of the situation in Sabah.

In Singapore, on the other hand, Lee Kuan Yew's People's Action Party (PAP) had effectively eliminated the opposition and monopolized state politics. This meant that rather than having to focus on state level in-fighting, it was possible to concentrate entirely on the state-federal relationship. Throughout 1964, the PAP pushed for a 'Malaysian Malaysia' with constitutional equality for all Malaysians. This challenged the basic claims of Malay leadership in the Peninsula to the privileged position of Malays and to the reservation of specific constitutional rights for the indigenous races. With the formation of Malaysia, the rights of Malays were extended to the rights of *bumiputras*—which translates literally as sons of the soil—in order to incorporate the indigenous peoples of Sabah and Sarawak. Moderate Chinese leadership in the Peninsula was in fundamental agreement with this. Chinese leaders in Singapore, while conceding that some privileges should accorded to *bumiputras*, felt that Malaysia could never be united until racial distinctions were subordinated to an egalitarian concept under which all Malaysians had equal rights. Lee wanted these equal rights immediately, a path which would benefit the Chinese. Malay leaders wanted time to redress the disadvantaged economic position of Malays before moving towards equal constitutional rights, a path which would benefit the Malays by enabling them to catch up with the Chinese economically. It was also the view of Kuala Lumpur leaders that to have decommunalized the country at that stage would have been to disregard the existing tensions between the races and to heighten the potential for communal violence.

By May 1965, the PAP had gone into opposition in the federal Parliament and was planning the formation of a united opposition front. In June, Lee challenged the capability of federal leaders to govern and suggested that partition might be the best alternative arrangement to resolve the differences

of the nation's leadership—not the partition of Singapore alone, but of Singapore, Sarawak, and Sabah as recent entrants to Malaysia, and perhaps Malacca and Penang as well, given their predominantly Chinese populaces and affinity with Singapore as former Straits Settlements. Lee's position was that states opting for a Malaysian Malaysia could get together to form a new nation and those opting for a Malays' Malaysia could stay on their own. In mid-July, there were racial clashes between the Chinese and Malays in Singapore, and a month later, the Tunku decided he had had enough. On August 9, 1965, a resolution was passed in the federal Parliament to separate Singapore from Malaysia. This immediately opened the question of the constitutional path Sabah and Sarawak would follow, and it is possible that if these states had been as politically unified as Singapore, they would have pulled out of the federation at this time.

At the time of the Tunku's announcement in May 1961, Syed Kechik bin Syed Mohamed was studying law at Lincoln's Inn in London. He got there the long way, unlike the children of royalty and senior civil servants in the Malay states who were sent to the United Kingdom for further education as a matter of course. Born in Alor Star, Kedah on August 20, 1928, the son of a prison officer, he attended the local Malay primary school. But just as he was about to enter secondary school in 1941, the Japanese invaded the Malay Peninsula. Refusing to study in their schools, he withdrew instead to work in the sundry shop his father opened after retiring from the prison service. It was there that he began following events elsewhere in the world and reading the nationalist literature then coming onto the scene. After the return of the British, he decided to go to America for further study, inspired by notions of preparing himself to fight for Malaya's independence. For three years, he tried to get work aboard coastal freighters in order to complete the apprenticeship that would give him an able-seaman's certificate.

In 1949, with Malaya in the throes of the emergency declared in response to communist insurgency, he finally

got a job as seaman aboard an ocean-going freighter bound for the United States. On his arrival in New York, he took a bus to California to join up with a close friend from Alor Star, Mohammed Zain Tajuddin, and another Kedah Malay, Senu Abdul Rahman. He enrolled in high school and, after a year and a half, completed the full secondary programme to earn his diploma. In the fall of 1951, he entered Los Angeles City College and completed two years of coursework in his first year. After that, he took subjects in economics and political science at the University of California at Los Angeles. To finance his studies and earn subsistence, he worked as a dishwasher and waiter in a number of restaurants around Los Angeles. He returned to Malaya in time for the country's general elections in 1955, and this gave him his first taste of politics. He thought he might contribute, but he was adjudged as too young and inexperienced. Disappointed, he bounced around aimlessly for four years, and then decided in 1959 to study law in England, feeling this would give him a life-time profession and reasonable training for entering whatever field he might choose. His American qualifications were not recognized there, however, making it necessary for him to sit for the British secondary examinations. This cost him one year, whereupon he was accepted by Lincoln's Inn.

After completing the full law course, he returned to Malaysia in late 1963. While still in London, he made the decision to enter private practice and develop a basis for financial independence. In January 1964, just as the nation was tooling up for the general elections scheduled for April, he undertook the requisite six months' chambers work with the Alor Star legal firm of Zahir, Jayadewa & Ismi. After state-level UMNO leaders decided on their slate of candidates, they asked him to be legal adviser to the Kedah State Alliance. The following month, he was asked to be Assistant Secretary of the Kedah State Alliance, a position which involved directing and administering the operations of the campaign machinery. Shelving his legal work, he worked day and night for the next two months at the Alliance headquarters in Alor Star, programming everything for the 12 parliamentary and 24 state races which ultimately were swept by Alliance

candidates.

As the federal government was formed in Kuala Lumpur and the state government in Alor Star, Syed Kechik returned to his chambers work. Then, in May, he was asked by Senu, who had been appointed Minister of Information and Broadcasting in the new federal cabinet, to come to Kuala Lumpur as his political secretary. The post of political secretary was created in 1963 to assist ministers in maintaining contact with their constituencies and enable them to concentrate on departmental matters without being overwhelmed by the exigencies of politics. At first, Syed Kechik refused the offer, because of his intention to go into private practice. On further persuasion, he agreed, but only after completing his chambers and on the condition it would be for just one year. Called to the Malayan Bar on 10 August 1964, he assumed his appointment as Political Secretary to the Minister of Information and Broadcasting on September 15.

As far as Syed Kechik was concerned, the major issue affecting Malaysia at that time was the federal government's tussle with Singapore and Lee Kuan Yew, and he closely followed all the activities and speeches of the Singapore Prime Minister. There were other issues, of course. A state of emergency had been declared because of the growing security problems associated with Indonesia's Confrontation of Malaysia. Indonesia was threatening to pull out of the United Nations if Malaysia were admitted to the UN Security Council. Political crises were brewing in Sabah and Sarawak. And trade union activity was on the upswing in the Peninsula. Syed Kechik became involved with the political implications of virtually everything domestic and with fueling the government's propaganda machinery with credible fodder. He also kept a close watch on Senu's Kedah constituency, advised him on political stances, and devoted a fair amount of time to speech writing—either drafting speeches in advance or, as was the more usual case, discussing points with Senu beforehand, taking down the essence of the speeches, and preparing releases to the press.

His involvement in political matters went beyond office hours. He often met with Kamarul Ariffin, another lawyer who was working with the Kuala Lumpur firm of

Shearne & Delamore, Abdullah Ahmad, the Political Secretary to the Deputy Prime Minister, and Musa Hitam, the Political Secretary to the Minister of Transport. They discussed matters ranging from the socio-economic position of Malays to the ways of enlisting young Malay talent in party efforts. Until this time, younger Malays had been largely ignored by the established leadership of UMNO. The old guard had negotiated for independence, worked hard in the days following Merdeka to get the country on solid footing, and gone through the machinations necessary for the creation of Malaysia—all of which gave them a self-professed basis in experience and wisdom. One result of this was that young professionals and academics were not brought into the party's inner circles. The only vehicle for their participation was UMNO Youth, which had little clout, was inordinately submissive, and reflected that peculiarity of Malay behaviour whereby they join in only if invited and speak out only if asked. They would never knock on the door, and the door at that time was not only closed, but locked. Then in late 1964, Senu was elected President of UMNO Youth. One of the first things Syed Kechik suggested was that Kamarul Ariffin be appointed as the organization's legal adviser. Together with a few others, they set about re-drafting the UMNO Youth constitution. Syed Kechik and Kamarul understood that the youth wing of UMNO, and UMNO itself, could be invigorated by opening the doors of participation to younger Malays. The re-drafting was directed at attitudes as much as organizational structure, and this change in UMNO Youth signalled a change in UMNO—from oligarchy to a party that invited greater participation from the young and talented.

Through all this, Syed Kechik's interest in following the activities of Lee Kuan Yew continued. Lee was clever, intelligent, articulate, a charismatic speaker, and a master strategist. Given the consistency of the PAP's positions and approaches, the tasks of the Information Ministry in containing his attacks were difficult. But the positions and approaches of the PAP did lack consistency over time, and it was into these inconsistencies that Syed Kechik delved. His basic approach—studying statements and allegations, finding the inconsistencies inherent in these, and then exposing and

publicizing these to berate the opposition's position as groundless—was to become the basis of his style in future political conflicts. By April 1965, Syed Kechik was coming increasingly into the public eye, and his statements were frequently appearing in the press. In a speech delivered to an UMNO branch in Klang in late May, he asserted that the techniques and strategies of the PAP would eventually cause the disintegration of the country. And what everyone had seen written on the wall for months, culminated in the separation of Singapore in early August.

The separation aftermath was winding down by September, and Syed Kechik was finishing the one year he agreed to spend with Senu. He had learned a great deal, not only of politics, but of Malaysia, for every release run through the Information Ministry was copied to him. He kept tabs on events throughout the country and the goings-on in virtually all government departments. He made numerous contacts in Parliament, UMNO, the ministries, and the media. He had a feel for the nation, and ideas about what should be done. But rather than stay on at Information, he decided to stick to his original plan: he would leave at the end of September to set up private practice with Kamarul Ariffin.

I

Political Storm in Sabah (1965-66)

The Malaysian government, in the wake of the separation of Singapore, was concerned about solidarity in East Malaysia. Datuk Donald Stephens, then the federal Minister for Sabah Affairs, claimed that he had not been consulted on the separation decision and that as a member of the cabinet he deserved that courtesy. In fact, until the cabinet meeting held immediately before the parliamentary session in which the separation bill was tabled, Deputy Prime Minister Tun Abdul Razak and Home Minister Tun (Dr.) Ismail were the only Kuala Lumpur leaders the Tunku consulted about his decision. At this meeting, the Tunku outlined the course chosen, explained the reasons, and put up the bill as a *fait accompli* to his cabinet ministers, all of whom endorsed it. This notwithstanding, Stephens returned to Jesselton, feigning outrage at having been ignored in a major federal policy decision and expressing apprehension over the implications this might have for Sabah's relationship with the federal government. Together with Peter Mojuntin, the Secretary-General of his United Pasok-momogun Kadazan Organization (UPKO), he toured the state clamouring for a re-examination of the Twenty Points, the conditions of Sabah's entry into Malaysia which protected her interests within the federal framework.

The thing least wanted at this time was recalcitrance in the Borneo states. Indonesia's Confrontation of Malaysia

continued, and President Sukarno would doubtless have been delighted at the opportunity to step in and annex the potentially rich states that were tied geographically to Kalimantan. The Philippines were still pursuing their claim to Sabah in the international courts, and discontent in Sabah might have encouraged President Diasdado Macapagal to abandon diplomatic channels for more direct methods. Stephens himself was thought to be actively pursuing the possibility of a link-up with Singapore. He presumably felt slighted by the solution to the December 1964 crisis in the Sabah cabinet, which resulted in his being relegated from the most influential post in Sabah to a position of considerably less importance in Kuala Lumpur. The handling of the separation of Singapore added fuel to his federal dissatisfaction, leaving him with greater sympathy for Singapore than Kuala Lumpur. And as far as the still-influential British community in Sabah was concerned, their future was tied to Singapore's, and Stephens was their link.

The Tunku saw Stephens' activities not only as a breach of faith, but as a threat to the federation. A link-up between Sabah and Singapore would have been a severe emotional blow to the nation, and Sarawak probably would have followed suit. Moreover, the disintegration of Malaysia, the brainchild of the Tunku, would have damaged him politically. His thinking went beyond this, however. He believed Sabah and Sarawak went natural parts of the larger Malaysia, and having been instrumental in drawing these states into the federation, he felt a responsibility to their governments and people. The spectre of conflict for control of the Borneo states loomed large, and the only thing that could counter this was a solid demonstration of support for their remaining in Malaysia.

On September 13, the Tunku flew into Jesselton and exercised his prerogative as Prime Minister to request Stephens' resignation from the federal cabinet. This removed Stephens from the ambit of Kuala Lumpur and enabled him to continue his dissident politicking at state level. Needed was a strong figure to challenge Stephens. Tun Datu Mustapha bin Datu Harun, then the *Yang di-Pertua Negara*, or Head of State, was the only Sabah politician with sufficient stature to do this.

Consequently, the Tunku encouraged Tun Mustapha to re-enter politics. Tun Mustapha was reluctant. His United Sabah National Organization (USNO) had suffered during the preceding two years, and the battle promised to be long, uphill, and without assurance of success. He wanted some things in his favour, and he asked the Tunku for several—for a fair degree of autonomy, for logistical and economic assistance from the federal government, and for the help of a politically-trained lawyer. He thought he was asking for more than he would get, but the Tunku agreed to everything. Three days later, on the second anniversary of Malaysia, Tun Mustapha's term as Head of State came up for renewal and, although this had previously been approved, he stepped down to challenge Stephens and UPKO.

When the Tunku got back to Kuala Lumpur on September 17, he asked Tun Razak to request that the Minister of Information and Broadcasting, Senu Abdul Rahman, speak to his political secretary, Syed Kechik bin Syed Mohamed, about his going to Sabah. Syed Kechik was the only political secretary at that time with the requisite legal training and a background in politics, but he told Senu that he was not interested in the assignment because of his intention to enter private law practice. On receiving word of this, Tun Razak decided he would personally convince the young lawyer of the imperatives of his going to Sabah. When Syed Kechik was summoned to Tun Razak's office on September 24, he knew that the subject was Sabah, and in the first few minutes of their meeting, the business between them was settled. Syed Kechik had half-expected a briefing on current political events in Sabah and a detailing of the strategy for what was to be done. But there was no briefing, no master strategy. He was instructed only to do what he could and whatever he felt to be necessary and appropriate.

His departure for Sabah was set for October 6. In the interim, he studied the documents related to the negotiations preliminary to the formation of Malaysia: the memoranda of the Malaysia Solidarity Consultative Committee, the report of the Inter-Governmental Committee, as well as the legislated terms of agreement detailed in the Malaysia Act of 1963. He also went through the Sabah files at the Ministries

of Information and Home Affairs, but he was surprised by how little was known, not only about the political situation, but about anything current there. In the Peninsula (West Malaysia), one at least had a feeling for events, and there were always people to be found who could offer reasonably complete and intelligent appraisals of the realities in any of the peninsular states. This was not so for the East Malaysian states, Sabah and Sarawak.

Flying to Jesselton by way of Kuching, Sibu, and Brunei, he was impressed by what seemed to be the untouched and uninhabited land below. Political struggles seemed utterly inconsistent with the vast stretches of forest, swamp, river, and sea that unfolded below him. Even Jesselton had the air more of a last outpost than of the seat of government for one of Malaysia's thirteen states. There to meet him were Zainal Abidin Sulong and Latiff Hussein—the former was a high-ranking Foreign Ministry official specializing in relations with Indonesia and the Philippines and later to become Ambassador to Indonesia; the latter, Tun Razak's half-brother, was in the Special Branch. In the car from the airport, they explained the problems with Stephens and the seeming impasse that left the federal government impotent in its attempts to suppress the dissident voice. When they arrived at the house which the three of them were to share on Airport Road, Syed Kechik asked for a full briefing on everything the Special Branch had compiled on Donald Stephens.

Stephens appeared to be aligning himself with Singapore. He and Mojuntin had attended the International Socialist Conference in Bombay earlier in the year, together with Lee Kuan Yew and other members of opposition socialist parties in Malaysia. Stephens was later reported to have stated that his party platform in the upcoming general elections would be based on the ideology of democratic socialism, not on the liberal democratic concept espoused by the Sabah Alliance and the national Alliance Party, which embraced UMNO, the MCA, the MIC, and the member parties of the alliances in Sabah and Sarawak. Likening UPKO's platform to that of Singapore's People's Action Party (PAP), he was propagating the slogan of a 'Malaysian Malaysia' and calling for a reconsideration of the terms under which Sabah had

entered the federation. And while publicly disclaiming any thoughts of secession, his lieutenants were calling on him 'to guide Sabah to the true independence that had thus far been denied Sabah in Malaysia.'

Stephens also appeared to be trying to consolidate his own political position, and that of his party, to the exclusion of other parties he was supposedly cooperating with. When he merged his original party, the United National Kadazan Organization (UNKO), with the Pasok Momogun Party to form UPKO in mid-1964, he did not consult the parent Sabah Alliance. By changing the UPKO constitution to open its membership to all Sabahans and initiating an intensive recruiting drive which threatened the viability of the other parties in the Sabah Alliance, he contravened the agreement not to enrol members of other parties without their concurrence. He had attempted to change the structure and composition of the Sabah Alliance, which then comprised UPKO, USNO, the Sabah Chinese Association (SCA), and the Sabah Indian Congress (SIC), with a view to having UPKO dominate the entire organization. Shortly after his dismissal as Chief Minister in December 1964, he admitted that he saw the Sabah Alliance only as a temporary measure required for achieving independence. By allegedly exploiting racial themes to set off the Chinese against Sabah Muslims, he violated the Alliance policy of promoting inter-racial harmony and the Alliance principle of collective responsibility. He had spoken out unilaterally on such matters as elections, implying that he and UPKO were in favour of early elections, whereas his Alliance partners were not. And by his actions he had repeatedly ignored the understandings reached within the Sabah Alliance. Finally, his boycotting the swearing in of the new Head of State and his branding the appointment as a calculated move to eject UPKO from the Sabah Alliance were seen as attempts to undermine the loyalty of the people of Sabah to their Head of State.

What caught Syed Kechik's notice was not the inflammatory nature of Stephens' statements on Sabah's position in Malaysia nor even that Stephens was attacking Kuala Lumpur —these were essentially internecine and to be expected in emergent politics. It was the manner in which Stephens had

been acting in contravention of the objectives and disciplinary requirements of the Sabah Alliance Party. Syed Kechik asked for copies of the constitutions of UPKO and the Sabah Alliance. In these documents, he felt he had already found the solution to Sabah's political problems. What seemed insoluble was indeed very obvious.

In his first meeting with Tun Mustapha on the evening of his arrival, Syed Kechik was struck by the aura which surrounded the Sabah leader and made him stand out from all those in his company—the piercing glance, the strong presence, and most of all the confidence. He was struck also by the naivete of those who surrounded him. Clamouring first for what had to be done to censure Stephens, and then, dismissed with a word from Tun Mustapha, reversing their stances to place them in accord with his, their moods shifted from extreme optimism to extreme pessimism. Political amateurs, he thought, submissive for too long in the face of encounters with expatriates who were, it seemed, still very much in control of the state. Syed Kechik listened and observed, talking little. Things were already in motion to censure Stephens. USNO had in the previous week made a request to convene the Sabah Alliance Council, and with seven days' notice required, this was scheduled for October 8. USNO wanted a vote of no confidence against the UPKO President for his repeated statements which allegedly were designed to cause conflict among the people of the state. In addition, the USNO Central Executive Committee, the party's top decision-making body, had given Tun Mustapha the mandate to take USNO into the opposition, provided it were still in the national Alliance, should the SCA and SIC not cooperate in the expulsion of Stephens. Syed Kechik saw these approaches as misguided.

At a meeting of USNO, SCA, and SIC leaders held without UPKO at Tun Mustapha's house on the evening of October 7, Syed Kechik pointed out that all decisions by the Sabah Alliance Council had to be unanimous. Because the UPKO President was involved in the complaint and a member of that council, there was not much likelihood of the resolution's being adopted. It was then tentatively decided by those assembled that, blocked by the unanimity rule, USNO, the SCA,

and the SIC would simultaneously withdraw from the Sabah Alliance and form a new one. Syed Kechik advised them that withdrawing *en bloc* to form a new alliance and that USNO's going into the opposition were equally undesirable. Opposition parties in the Peninsula had been keeping a close watch on developments in Sabah and were smugly waiting for a situation they could exploit. Moreover, either move would leave UPKO in a position of relative strength.

He then drew their attention to the article of the Sabah Alliance constitution dealing with party discipline. This stated that 'if any member of a member party were, in the opinion of the executive committee, to act in any way detrimental to the interests of the Sabah Alliance Party or the member parties thereof, to act in any way contrary to its principles, or to violate its rules and bye-laws, then the executive committee should convene a meeting of inquiry to consider the conduct of the member and the action to be taken.' Convening the executive committee would take seven days, and the inquiry could be held only 15 days after that. On October 8, Tun Mustapha called for a meeting of the Sabah Alliance Central Executive Committee on October 14. The following day, a resolution was submitted requesting that appropriate disciplinary action be taken against Donald Stephens and Peter Mojuntin with a view to recommending their expulsion from a member party of the Sabah Alliance, UPKO. Learning this, Stephens and Mojuntin initiated moves to submit a counter-resolution against Tun Mustapha and have the meeting postponed. But because their motions had to be submitted five days before the meeting and were received on October 10, Syed Kechik recommended that Tun Mustapha reject these.

The anti-Stephens forces felt confident that the prospect of disciplinary action would be sufficient to push Stephens into retreat and that he would not have the gumption to undergo the loss of face implicit in an inter-party hearing. To make sure the lubricants for this withdrawal were in place, Syed Kechik outlined the conditions for Stephens' 'graceful and honourable' retirement and suggested that his resignations be announced after a meeting scheduled by the UPKO Council on October 17. A day before the meeting of the

executive committee on October 14, Syed Kechik withdrew from the scene, flying back to Kuala Lumpur. He did not want to be around to invite charges from UPKO that everything was being directed by the federal government, and he felt that the plan had been set in motion sufficiently well to enable it to unfold on its own.

It was realized on the day of the executive committee meeting that UPKO could still thwart the plans afoot. To constitute a quorum, three members from each of the component parties had to be present. Presumably unaware of this, the UPKO members showed up in full force. Stephens pleaded that he had done nothing to warrant the censure motions, appealed for unity, and requested that the inquiry be postponed. During a recess, he pulled aside a prominent USNO member and urged him to press for the withdrawal of the motion. He said that he would remove himself from political activities, accept Tun Mustapha's leadership of the *bumiputras*, and dissolve his party so that the *bumiputras* could be led by Tun Mustapha, the Chinese by the SCA, and the Indians by the SIC. Many members were persuaded by the logic of avoiding the blood-letting such an inquiry would necessarily entail. Syed Kechik expected that Stephens would resort to promises of withdrawal to give himself time to consolidate his position, and he had recommended to Tun Mustapha and other USNO leaders that they stand firm in their call for an inquiry and that they not make such a call only if Stephens were to resign from all his political posts. The motion was adopted, and October 30 was set as the date for the inquiry, but with the understanding that Stephens be allowed to meet Tun Mustapha before that date. Stephens obviously was hoping for a compromise. His position had already been weakened, and two things must have weighed on his mind: Tun Mustapha and USNO had the backing of the SCA and SIC; and the federal government was giving its general support, if not specific direction, to USNO. With such a turn of events, Stephens and UPKO could not survive a frontal encounter.

When Syed Kechik returned to Jesselton, he learned that Stephens did not resign on October 17 as planned and that the inquiry itself was in question. Because the executive

committee had agreed that Stephens should meet with Tun Mustapha before the date arranged for the inquiry, it would be postponed until this condition were fulfilled. Apparently, few in Sabah wanted things to go that far. Their politics had until this time been amicable, and the presumed divisiveness of a hearing was not in keeping with their political styles. Things had happened quickly and in a manner to which Sabah politicians were unaccustomed. The finality and irrevocability of their actions made them a bit uncomfortable, and that finality and irrevocability had originated in Kuala Lumpur. No one wanted the responsibility of being directly associated. Consequently, with Stephens not resigning according to plan and with Tun Mustapha in London, the resolve of USNO and SCA leaders began to flag. Things had been thrown into abeyance and, left to their own devices, Sabah politicians would doubtless have preferred to keep things in abeyance until Tun Mustapha and Stephens sorted things out between themselves. Stephens was aware of this and hoped that a rapprochement with Tun Mustapha would salvage his political base and that of his party.

Syed Kechik worked to build up a solid case for the hearing. Eight general charges were levied, all revolving around the agreement made with other parties in the Sabah Alliance, and each substantiated with a series of specific breaches incurred during Stephens' tenure as Chief Minister and during recent months. Possible counter-allegations were also anticipated and replies to these were developed. The intent was not so much to create a water-tight case as to bolster the confidence of USNO, SCA, and SIC leaders with the knowledge that they were acting from a solid base and that their actions could not be undermined by the machinations of Stephens and Mojuntin. Given the open nature of political discussion in Sabah at the time, whereby what happened in supposedly secret meetings soon became known to all those in political circles, the intent was also to undermine the confidence of Stephens himself.

By late October, Syed Kechik was getting impatient: the inquiry was imminent, and Tun Mustapha and Stephens had not met. One planned resignation had already fallen apart, and the longer Stephens held on, the greater was the

likelihood of his salvaging a political base. Then, early on the morning of the day scheduled for the inquiry, Stephens called Tun Mustapha for an appointment. They arranged to meet in Tun Mustapha's office at eleven o'clock. On hearing this, Syed Kechik dictated to Habib Abdul Rahman, the USNO Secretary-General who would later become state Minister of Finance, the list of conditions for Stephens' withdrawal and a series of resignation letters. For reasons of health, Stephens was to retire as a member of Parliament, as President of UPKO, and from all *ex officio* posts in UPKO and the Sabah Alliance. He would agree not to indulge in any political activity, at present or in future, and would persuade UPKO members to cooperate closely with their partners in the Sabah Alliance. He would persuade UPKO to force the retirement of Peter Mojuntin as Secretary-General. He would send a letter to the Tunku, apologizing for any misunderstanding that may have arisen and giving assurances that he was withdrawing permanently from politics. Finally, he would direct the editor of his newspaper, the *Sabah Times*, to plug the *bumiputra* unity line in future editions and to push the idea that this could best be brought about by a merger of USNO and UPKO. When Stephens came into Tun Mustapha's office, these letters were still being typed in the adjoining office. The two men talked and joked for a half hour, laughing and obviously skirting the issue at hand. Then Syed Kechik sent Habib in with the statement of conditions for Stephens' exit and the letters of resignation. Tun Mustapha, without a word, pushed these over to Stephens.

The atmosphere of jocularity was suddenly punctured with silence. Syed Kechik's study of Stephens led him to believe that Stephens would avoid the inquiry at all costs, but he could not be sure that, confronted in this manner, Stephens would give up. Had the UPKO President appealed, Tun Mustapha may have sought alternative arrangements to save the face of his long-standing colleague. But the thrust of the stratagem was removed from the relationship between the two men. It resided entirely in the letters on the desk. All Syed Kechik could hear was the sound of Stephens' heavy breathing. He could envision Stephens looking up to Tun

Mustapha from time to time in disappointed disbelief and Tun Mustapha sitting stoically, innocently, yet sympathetically, as if he were mere spectator to the manner in which Stephens' hand was being forced. It was a showdown neither man enjoyed, yet it was necessary to eliminate the in-fighting of Sabah politics and the rivalry that surrounded the persuasion of these two men, a rivalry that was not so much between the two men as between the style that state politics would assume in the context of Sabah's relationship with Kuala Lumpur. The two were unwitting actors in a drama written by the federal government, and both felt compelled to play out their roles, however reluctantly. Had it been an encounter between UPKO and the other parties of the Sabah Alliance, Stephens might have emerged relatively unscathed, given his powers of articulation and persuasion. But the encounter was with Kuala Lumpur.

Stephens agreed to all the conditions, but said he would write the letters of resignation in his own style, to take effect on November 2. He left Sabah on November 3 for Hong Kong, under the guise of an extended holiday for reasons of health. The drama had unfolded, and an air of unreality fell on Jesselton political circles. USNO leaders were euphoric, but uncertain. They had won, but they were not yet aware of what precisely they had won. They knew only that they were in control. The beginning of this new phase in Sabah politics was clouded by the ambiguities enveloping the end of the phase just ended. The inclination of many USNO politicians was to drive Stephens into the ground. Harris Salleh, the USNO state Minister of Finance, flew off to Kuching to consult with Datuk Abdul Rahman Yakub, the federal Minister for Lands and Mines, immediately after the resignations were announced. He often did this when facing turning points in politics, and there he released a statement decrying Stephens as a political bankrupt. Syed Kechik was against this, feeling it would create public sympathy for Stephens, so he advised to Tun Mustapha to issue a press release, as Chairman of the Sabah Alliance, prohibiting any members from making political statements without first clearing these through him personally. The opportunity was also taken to thank Stephens for the con-

tributions he had made to economic and political development in the state.

Syed Kechik knew the fight was far from finished. UPKO had a broad base of support, and even with Stephens out of the picture, the party's stance on the re-examination of the Twenty Points still enjoyed currency. Ganie Gilong, a member of Parliament and Stephens' successor as UPKO President, came out with a statement pushing for immediate re-examination of the Twenty Points and for early elections, probably to soften the impact of Stephens' political exile and accelerate the opportunity for his return. Ganie was not as flamboyant, articulate, or colourful as Stephens, but he was an effective leader and very much in the public eye. He, too, was immediately reined in by a public statement from Tun Mustapha that such unilateral statements contravened Sabah Alliance discipline. A few days later, while at a dinner hosted by the Sabah Flying Club, Syed Kechik had the opportunity to speak with Ganie and ask him what precisely were the points UPKO was unhappy with. When Ganie cited a number, Syed Kechik argued that these were unfounded fears being artificially created by elements that wanted to separate Sabah from Malaysia. Constitutional provisions existed for their protection, and Kuala Lumpur would do nothing to invade these. He also pointed out that discussions of these matters belonged in meetings of the Sabah Alliance, not in public, and asked Ganie to make a public statement indicating his willingness to keep such discussions within the purview of the Sabah Alliance. The UPKO President agreed that, in the interests of defusing the political debate racking Sabah at the time, he would make such a statement. Syed Kechik went directly to Tun Mustapha's house, reported on Ganie's decision, and asked Tun Mustapha to summon Ganie to sign a statement for the press that same evening. Ganie was presented with a draft statement stronger than the one he was initially prepared to make, but already predisposed to patch up differences, he finally signed it. The next day, UPKO's apparent rapprochement with USNO made headlines throughout the country.

Speeches were made by USNO and SCA leaders in the main towns of Sabah to explain the departure of Stephens,

but this obviously would do little to assuage the public in the long term. The next step was to divert public attention from politics. During his research into Sabah's economic background, Syed Kechik noted two anomalies: that as late as 1960, only two Sabah *bumiputras* had completed their education at secondary level; and that the state's timber resources were almost entirely in the hands of 12 companies, many of them foreign-owned. While driving to Kota Belud with Zainal Sulong in late October, he hit upon the idea that some of the timber lands spread out before them could be transferred to a company that would support the education of young people in Sabah. He later discussed with Tun Mustapha the proposal for a Sabah Educational Corporation —a body that would be formed by the Legislative Assembly and have half its funds come from the government by way of a timber licence and the other half from the contributions of private individuals. Its main purpose would be to raise the standard of education throughout the state by offering secondary and university scholarships to needy students, by working towards the establishment of a university in Sabah, and by giving spot grants to improve the facilities for secondary education. Tun Mustapha was aware of the need to shift public attention from political to development matters and attuned to the political capital the scheme would reap. He agreed.

Syed Kechik drafted the speech to launch the proposal. The idea had, of course, to be Tun Mustapha's. They decided that the body should be called the Sabah Foundation—Sabah Educational Corporation had too mercenary a ring to it, and such a name might have limited the scope of its eventual activities. The speech was delivered by Tun Mustapha at the small town of Mesapol on November 9. For the next 10 days, variations of the theme were played all over the state. Unsurprisingly, the response was positive from all quarters. The deflection to considerations of economic development, after a long period of political in-fighting that was the sole preoccupation of government and the press, had been effected.

The next imperative was to get USNO back on its feet. Tun Mustapha, debarred as Head of State from politicking, had left the party in the hands of his brother, Datu Aliuddin,

for the previous two years, and organizationally the party had suffered. Many district level branches had ceased to function. Communication between branches, divisions, and central headquarters had ground to a halt. So, during November and December, Tun Mustapha toured the state to re-establish district level leadership and deliver to USNO supporters the speeches being written by Syed Kechik. These focussed on the need for the cooperation of all parties in attending to the business of development. To symbolize this cooperation, Syed Kechik recommended that Ganie Gilong travel with Tun Mustapha on this tour. All of Tun Mustapha's movements were given full coverage in local and national media.

After Tun Mustapha completed his tour, USNO party workers from throughout the state were called to Jesselton. UPKO was still calling for elections by March 1966 at the latest, and although Stephens and Mojuntin had forsworn political activities, they would doubtless be attempting their comeback. USNO, however, needed time to build up its political base. Although clearly on top in the previous indirect elections—in which elected local and district councillors selected the members of the Legislative Assembly—USNO's position had since been eroded, and to face UPKO in direct general elections at an early date might result in their downfall. They needed time, and working in the interest of time were the difficulties of demarcating constituencies and registering voters.

USNO nonetheless had the potential for being developed into the state's leading party, but only in partnership with other parties. A number of courses were open. It could align itself with the SCA, with which it was already close and whose support it could probably retain. It could merge with UPKO. UPKO had been pushing for a merger in August and September 1965, with the intention of taking over entirely. Merger could perhaps be pushed again to turn the tables and enable USNO's taking over, but this would have to be pursued delicately so as not to intimidate the Chinese. As a last resort, USNO could try to split UPKO into its two predecessors and take in the former Pasok Momogun members. But these were things to be sorted out as elections neared.

For the time being, the USNO campaign had to centre on Tun Mustapha as the leading force for development in Sabah.

Tun Mustapha was known in the state, but not well. As Head of State, he was detached by the dignity and ceremony that imbued the position. As a politician, he had instead to be cast as a man of the people and a leading national figure. His public image at that time emanated largely from his role in the Malaysia negotiations and his tenure as Head of State, neither of which could be extrapolated into his capabilities as a government administrator or his role as a leader of federal stature. Tun Mustapha therefore arranged for several federal ministers to come to Sabah and accompany him on development junkets. Tun Mustapha also represented Sabah at the Bangkok summit where the first steps were taken to resolve the diplomatic differences between Malaysia on one hand and Indonesia and the Philippines on the other. And with the continuing exposure being given to the formation of the Sabah Foundation, it was suggested that Tun Mustapha was the initiator of the idea and would be installed as its founding Chairman. Syed Kechik also wanted to produce a biography of Tun Mustapha as quickly as possible, but soon recognized that the readership would be limited, given the level of literacy in the state. For interim and more widespread exposure, a biographical film could be prepared. Syed Kechik convinced Senu of the need for this, and the wheels were set in motion at the government-run Filem Negara to produce such a film.

Another problem was that Tun Mustapha, like Stephens, held no seat in government, either at state or federal level. He had no real political base except as President of USNO, which he resumed after stepping down as Head of State. Installing him as a member of the Legislative Assembly would have subordinated him to Peter Lo, the Chief Minister who succeeded Stephens. The federal ministership was open, but this had to be approached cautiously. Stephens had resigned on the condition that his federal seat be given to another UPKO member and, to retain the faith of UPKO in the federal government and not reopen the breach just closed, this principle was respected, at least for the time being.

The emphasis had to be on development. The short-

comings of the Stephens government in its development efforts were repeatedly pointed to, replete with slurs on the continuing and undue influence of expatriate officers who still seemed to be running the administrative machinery. The willingness of the federal government to cooperate fully with USNO leaders was also played up, particularly with regard to the planned provisions for federal expenditure under the First Malaysia Plan covering the period 1966-70. Also played up was the largesse of Tun Mustapha, who was energetically moving throughout the state and making assurances of projects that would be undertaken to benefit the people. But in all this, the focus was more on promise than delivery. Because UPKO was still a potent force in the Legislative Assembly and state cabinet, it was clear that any major development efforts would be in abeyance until the power struggles were resolved by elections. And whereas the prospect of elections kept the unofficial campaigning active, the difficulties of registering voters kept pushing the election day further and further back. All that really could be done was to maintain the public relations effort of upgrading the image of Tun Mustapha and USNO.

During the early months of 1966, Syed Kechik moved frequently between Jesselton and Kuala Lumpur, expediting the production of the film, keeping Kuala Lumpur leaders abreast of all political developments, working up a series of position papers on economic development programmes, and continuing to draft all the public statements made by Tun Mustapha and USNO. Also occupying a great deal of his time were the preparations for launching the Sabah Foundation. He brought in Zainal Abidin Wahid, his friend from the London days and then a lecturer in history at the University of Malaya, to investigate the educational system in Sabah and make recommendations on the programmes that could make the greatest impact. Based on this report, he worked on the drafting of the Sabah Foundation Enactment that was to be tabled in the Legislative Assembly. This had to be done in conjunction with the state Attorney-General's office, and the resistance there encountered convinced him of the need to get expatriates out of high positions in government. Their obvious favouritism for Stephens, and consequent

obstructionism, were more than an annoyance. They were were a burden on the state.

By April 1966, voter registration had been completed, and it appeared that elections would probably be held before the end of the year. This prospect made it important to give Tun Mustapha a credible political base, which Syed Kechik saw as instrumental, and the possibility of his becoming federal Minister for Sabah Affairs was pursued. The Tunku had kept the post open because of UPKO's feeling that since it had been held by an UPKO person, as part of the power realignment following the December 1964 cabinet crisis, it should go to another UPKO man. As a delaying tactic, the Tunku had simply made no new appointment. Now was the time to fill it. But Tun Mustapha, for reasons of pride and for fear of being rejected or seeming brash and ambitious, would not approach the Tunku himself. He would accept the post if offered, however, given the seeming imperatives of the upcoming elections. Syed Kechik flew to Kedah to discuss this with the Tunku. Leaving the Tunku's house in Alor Star for a ride in his boat, the two men, alone except for the boatman, discussed the Sabah situation in full as they wound their way up towards Perlis. Syed Kechik detailed the importance of Tun Mustapha's becoming a federal minister and outlined a formula whereby Datuk Khoo Siak Chiew, previously Chairman of the Sabah Alliance and still head of the SCA, might be convinced to step down from his seat in Parliament to make way for Tun Mustapha. There would be a wave of opinion against this, from UPKO and the SCA, but given the likelihood of at least six months before elections, the rough edges could be smoothed over with time. The Tunku agreed.

Syed Kechik returned to Sabah to work things out with Khoo. The Chinese were satisfactorily represented in both the Legislative Assembly and in Parliament; they also held the position of Chief Minister. Khoo's departure would be an act of good faith, cementing the SCA's relationships with USNO and with the federal government. Khoo was nevertheless wary, doubtless aware of the moves that had been afoot for a merger between UPKO and USNO. If this took place, the Chinese vote would be superfluous and the re-

presentation of Chinese interests considerably diminished. Syed Kechik pointed out that whereas there had been a real prospect of merger between USNO and UPKO some months before, this vanished in the light of Stephens' probable return to politics. Moreover, in the new government that would be formed after the elections, Khoo could be appointed Deputy Chief Minister. True, he would have to suffer the immediate criticism by other Chinese political leaders, but ultimately his stepping aside would be for the greater good of the Chinese community as a whole.

Khoo was convinced, if for no other reason than wanting to remain in Kuala Lumpur's good graces. But it is also probable that he saw himself and the SCA as being in a swing position, able to secure greater concessions for the Chinese by being instrumental in the government that eventually came into power. Chinese leaders were also persuaded, and the timetable was worked out: the Sabah Alliance Council would nominate Tun Mustapha for the position of Minister for Sabah Affairs and Civil Defence at its meeting of June 13; Khoo would announce his resignation as member of Parliament in early July; Tun Mustapha would be nominated as a member of Parliament and then appointed Minister. UPKO, of course, objected to all this, recognizing the added clout this would give Tun Mustapha and USNO in the upcoming elections. At the June 13 meeting, they nominated Ganie Gilong for the post, using the original agreement as justification. Seeing the writing of USNO and SCA on the wall, however, they withdrew the nomination, presumably to create a conciliatory air regarding something that would occur whatever their stance, and possibly to ingratiate themselves to the SCA. UPKO may also have thought that the appointment would remove Tun Mustapha from state politics and leave a vacuum for them to fill.

The rift between UPKO and USNO had become more than implicit. With Tun Mustapha destined to get considerable play as a federal minister, Donald Stephens got back into the act. By the end of June 1966, rumours were flying that Stephens was not only considering rejoining the political arena, but that he might pull UPKO out of the Sabah Alliance. UPKO and USNO had been attacking each other

over fundamentals for weeks in local newspapers, as well as over the actions and statements of their leaders. One lightning rod for this fray was the cabinet crisis that had erupted in Sarawak in mid-June. Power there had changed hands; and the federal government had played a central role. USNO and UPKO were expressing divergent views on Kuala Lumpur's handling of the Sarawak crisis, and UPKO was once again clamouring for the rights of Borneo states to make their own political adjustments without intervention from federal leaders. With a split in the Sabah Alliance imminent, with elections nearer at hand, and with Tun Mustapha about to assume his federal post, Syed Kechik was instructed by Tunku Abdul Rahman, through Tun Razak, to leave Sabah for Sarawak.

2

Cabinet Coup in Sarawak (1966)

The Tunku arranged a five-day visit to Sarawak in the beginning of July 1966 to smoothe over, and line up additional support for, a coup in the state cabinet that had been pulled off a few weeks earlier with assistance from Kuala Lumpur. Travelling on the flagship of the Royal Malaysian Navy, *K. D. Hang Tuah*, he was accompanied by several of his colleagues in the federal cabinet: Khaw Kai Boh (Local Government), Senu Abdul Rahman (Information and Broadcasting), Tan Sri V.T. Sambanthan (Posts, Telecommunications and Works), and Sarawak's Abdul Rahman Yakub (Lands and Mines). The Tunku's intention was to overwhelm the populace with the power and prestige of the federal government and to convince everyone in Sarawak of the justifications and merits of the changes that had taken place. Syed Kechik joined the party when the ship anchored at Sibu on July 1. He had been following recent news from Sarawak and was aware of the more superficial aspects of problems there. But he was also aware of the fragility of relationships between the Borneo states and Kuala Lumpur and chagrined by the detached confidence with which federal leaders seemed to approach their mission in Sarawak. A number of them assumed that their mere presence would be sufficient to stabilize the situation in Kuala Lumpur's favour. In response to Syed Kechik's questions, they responded only that they were there to patch up some small differences.

Rather naive to the realities of East Malaysian politics, he thought, where minor differences were sufficient cause for secession. When the entourage left by launch for Kapit for a regatta and mass rally organized to demonstrate support for the new state government, the federal government, and Malaysia itself, Syed Kechik searched out a number of state leaders, including Thomas Kana, the Pesaka Secretary-General and a member of Parliament. On the four-hour trip up the Rejang River, he plied them with questions to find out what really had been going on.

In early June, some members of the Council Negeri, Sarawak's legislative assembly, had moved to displace Datuk Stephen Kalong Ningkan as Chief Minister. Ningkan's Sarawak National Party (SNAP) was a component of the Sarawak Alliance, in partnership with Barisan Rakyat Jati Sarawak (Barjasa), Party Pesaka Anak Sarawak (Pesaka), Party Negara Sarawak (PANAS), and the Sarawak Chinese Association (SCA), but Pesaka and Barjasa were increasingly disagreeing with Ningkan's stance on a number of key issues and were clearly dissatisfied with his style. Having served as Chief Minister since the days before independence, Ningkan had already been the focus of one cabinet crisis in May 1965, precipitated by his introduction of some unpopular land bills. With Confrontation then at its peak, it was necessary to seek a compromise, and there resulted only a shuffling of cabinet portfolios with Ningkan's retaining the Chief Ministership. The power struggle between SNAP on one hand and Pesaka and Barjasa on the other remained unresolved, however, and this was a constant source of friction in the Sarawak Alliance.

Ningkan had also become unacceptable to the federal government in a manner which had many parallels with the situation in Sabah some months before. He and his colleagues were closely allied with expatriate officers, and Kuala Lumpur found that in many of its dealings with Sarawak, it was negotiating with expatriates, not Malaysians. Ningkan was also sympathetic towards Singapore, and after Singapore's separation, the issue of states' rights again came to the fore. Ningkan disliked the intervention of Kuala Lumpur in Sarawak's affairs and was suspicious of any state politician

who seemed to be spending undue time in the federal capital. His personal outrages were also becoming excessive, much to the embarrassment of all those who were touched. At public gatherings, he had accosted members of Parliament and the Council Negeri with threats of bodily harm, detention, and deportation, with assertions of the power of his wealth and manliness, and with promises to take Sarawak out of Malaysia if Kuala Lumpur did not abide with his views. Like Stephens, he had been given a free hand by the Tunku to govern as he saw fit, but when this threatened the unity of the nation, he had to be reined in. And with the Indonesian Confrontation drawing to a close, the need for apparently cordial relations between state and federal governments was superseded by the need to subordinate idiosyncratic state interests to federal imperatives.

In early June, Sarawak leaders unhappy with Ningkan's rule had garnered the signatures of 21 of the 32 Sarawak Alliance members in the Council Negeri to a statement that Ningkan no longer held their confidence and that they wanted him to step down as Chief Minister. Getting wind of this, Ningkan dismissed Taib Mahmud, one of the instigators, from his post as Minister of Communications and Works in the state cabinet on June 12. The following day, three other dissident state ministers resigned, knowing their fates to be sealed, and all 21 signatories flew off to Kuala Lumpur. After consulting with national Alliance leaders, the disaffected Council Negeri members cabled Kuching, asking Ningkan for his resignation and informing him they would not attend the meeting of the Council Negeri scheduled for June 14. Although it may have seemed obvious for them to have sat at this meeting and called for a vote of no confidence, the coup leaders wanted the showdown outside the Council Negeri.

There were two reasons for this. First, there was some uncertainty as to whether their 21 votes were sufficient to bring Ningkan down. The Council Negeri had 42 members —including 36 elected, three appointed, and three *ex officio* members—plus the Speaker. The elected and appointed seats were then allocated as follows: of the Sarawak Alliance seats, Pesaka held 15, Barjasa five, SCA three, SNAP six,

and PANAS three; of the opposition seats, SUPP held five, Machinda one, and there was one independent. Supporting the anti-Ningkan move were the 20 Pesaka and Barjasa members and one Panas member. This left 21 members on the other side and, in the event of a stalemate, the Speaker would have had to cast his vote for the status quo. Second, even if the three *ex officio* members were debarred from voting on a political matter, the coup organizers were uncertain whether they could hold on to all 21 members in a direct confrontation with Ningkan on the Council floor. In the previous year's crisis, Ningkan had pressured a number of fence-sitters to his side in the eleventh hour, and with patronage in his hands, it was feared he might be able to do it again in this encounter.

The arena chosen for the power struggle was, therefore, to be within the Alliance, not the Council Negeri which Ningkan would clearly have preferred. When Ningkan rebuffed the cable request, it was decided that an appeal would be made to the Governor, Tun Abang Haji Openg, asserting that Ningkan no longer had the confidence of the national Alliance, the Sarawak Alliance, and the Council Negeri itself. If Ningkan refused to resign, he would be dismissed by the Governor. On June 15, the 21 Sarawak Alliance members flew into Kuching, together with a number of federal personalities: Home Minister Tun (Dr.) Ismail, Attorney-General Abdul Kadir Yusof, Local Government Minister Khaw Kai Boh, and the Inspector-General of Police, Tan Sri Salleh Ismael. It was a calculated display of federal power. Tun Ismail summoned Ningkan and demanded his resignation based on the prerogatives of the Chairman of the national Alliance, Tunku Abdul Rahman. Ningkan surprisingly demurred, saying that he could not accept the arbitrary decision of the executive committee of the national Alliance Party and that the matter could only be decided by a vote in the Council Negeri. Ningkan subsequently instructed the Governor to dissolve the Council, but the request was rejected on the grounds that elections could not possibly be held within the 60 days stipulated by the constitution. Tun Ismail then urged the Governor to call for Ningkan's dismissal.

The Governor had been informed two days earlier by Tan Sri Jugah, the Pesaka leader and federal Minister for Sarawak Affairs, that 23 Council Negeri members had lost their confidence in Ningkan, although two of them had not yet signed the statement. When the Governor learned on June 16 that these members were coming to inform him of this personally, he consulted with the state Attorney-General about the latitude of his powers and concluded that because he had the power to appoint the Chief Minister, he also had the power to dismiss him. Moreover, the question of whether 21 constituted a majority was to him clear. He had been a standing member of the Council Negeri since 1940 and knew that it was the practice of *ex officio* members not to take sides in political issues in the Council. The state Attorney-General agreed with this. The Governor then requested that the 21 members meet with him at the State Chamber of the Astana (the Governor's residence) and present their petition. He asked each member, in the presence of the Attorney-General, if they signed the statement voluntarily, and all asserted they had. The Governor decided that he was fully justified in dismissing Ningkan, particularly because of the national Alliance's strong posture on the matter, and he announced the dismissal the next day. On the recommendation of the Sarawak Alliance, and with the blessing of the Tunku, he appointed Penghulu Tawi Sli as the new Chief Minister at the same time.

Ningkan was down, but by no means out. He filed a suit contesting the legality and legitimacy of his dismissal. The Sarawak constitution did not prescribe that a vote in the Council Negeri was prerequisite to dismissal, but precedent seemed to indicate that it was. The Prime Minister, as Chairman of the national Alliance, did hold ratifying power over the appointment of Alliance chief ministers, but Ningkan still held two-thirds of the Sarawak Alliance Council: component parties each had six votes in the Sarawak Alliance Council, and with PANAS and the SCA behind Ningkan, the ousted Chief Minister could claim 18 of the 30 votes. Moreover, the majority in the Council Negeri was of elected members, not of the full membership. The new state government, along with national Alliance leaders, realized it was necessary to make the ground it stood on more firm. Hence,

the Tunku's visit to Sarawak.

As the Tunku's party returned to Sibu from Kapit, Syed Kechik worked with a few others drafting a speech the Tunku was to deliver to a large gathering in Sibu that night. The address explained the actions that had been deemed necessary to maintain order in the state and articulated concern for loyalty and unity among all Malaysian states. The changes in the Sarawak state cabinet were postured as having been initiated in Kuching and facilitated by essentially innocent federal leaders only at Kuching's request. Sentiment against Kuala Lumpur's intervention in state affairs was running high, and any growth of this sentiment had to be clipped with assertions of the federal government's awareness of the desire in Sarawak for autonomy in certain areas. But the Tunku's approach was more statesmanlike than logical, and he relied more on the power of federal persuasion than on a frontal approach to the matters at issue —doubtless under-estimating the willingness of Sarawak politicians to stand up against the wishes of Kuala Lumpur.

Ningkan was not sitting by idly in Kuching. On July 1, he had filed another suit, this time seeking an injunction against Tawi Sli and his cabinet to restrain them from acting as ministers. On July 3, concurrent with the arrival of the Tunku's party in Kuching, SNAP held their annual general meeting and passed a resolution to withdraw from the national Alliance because of the national party's having consulted with only two of the five component parties of the Sarawak Alliance before taking what was felt to be an unconstitutional action. The new state government, together with the federal personalities, therefore initiated negotiations with PANAS and the SCA in order to make Ningkan's claims of holding a majority in the Sarawak Alliance superfluous. And with political manoeuvrings under way in private meetings, maximum capital was being gained from the Tunku's prestigious presence. A large reception was staged in Kuching to submerge the efforts of Ningkan to challenge the recent changes with public statements.

While the Tunku and the rest of his party were occupied with official functions for the next two days, Syed Kechik met with Pesaka and Barjasa leaders to inform himself more

fully of the dimensions and ramifications of the existing political situation, delving into the party structures, the areas of their support, the leanings of all personalities involved, and the analysis of party performances and activities to construct a mirror for anticipating future motives and actions. When the Tunku and his entourage returned to Kuala Lumpur on July 5, Syed Kechik was asked to stay on for a while in Sarawak to oversee the enlisting of PANAS and SCA support, to help develop the state government's strategies, and to build up the image of Tawi Sli and Pesaka, much in the manner he had been building up Tun Mustapha and USNO in Sabah. The SCA was the first to join up with Pesaka and Barjasa. After some convincing by MCA leaders from Kuala Lumpur, which included promises of SCA representation in the state cabinet, the SCA announced their alignment with the new government on July 6. PANAS was also coming in line, and within a week they, too, would announce their support for the Tawi Sli government. Having lost their majority in the Sarawak Alliance Council, Ningkan and his SNAP colleagues went into opposition.

Syed Kechik saw the need for grooming some strong figures in the state cabinet to counter the attacks of Ningkan that would be forthcoming, with the advice of expatriates, in future sessions of the Council Negeri. Tawi Sli was too soft-spoken and unassuming to take on such a task. Taib Mahmud was sufficiently articulate but, in Syed Kechik's mind, a little too detached from political realities at this early stage in his career. Tan Sri Jugah was a natural leader with great flair and warmth, but unfortunately could not read or write. Thomas Kana, of all the personalities involved, was the most capable and prominent. Although Kana was the obvious person to have taken over from Ningkan as Chief Minister, his seat was in Parliament, not in the Council Negeri. By early July, Kana was acting as a political secretary to Tawi Sli and was, in effect, a shadow Chief Minister working with Taib and Rahman Yakub to decide on cabinet appointments and policy moves.

Syed Kechik initiated a quiet campaign on Kana's behalf, attempting to condition the parties and the public to accept his eventual leadership, and drafted a series of

statements for him. One of these was a speech delivered to members of the Sarawak press on July 16 proposing the formation of a Sarawak Foundation along the same lines as the Sabah Foundation. The speech was virtually identical to the one delivered by Tun Mustapha the previous November, except for minor alterations to make the wording appropriate to the Sarawak context. The proposal fell flat, however, given the turn of events, and would remain moot until reopened by Rahman Yakub more than five years later. No base could be found for Kana in the Council Negeri because none of the three appointed members would resign his seat. Ling Beng Siong and Teo Kui Seng of the SCA both had state cabinet aspirations about to be realized, and Taib Mahmud was already heading the new state Ministry of Development and Forestry.

The task of building up Tawi Sli was more difficult than building up a natural politician like Tun Mustapha. The new Chief Minister was timid, not highly educated, and rather simplistic in his approach to politics. Nevertheless, Syed Kechik drafted daily statements on Tawi Sli's behalf for release to the press and, together with the state Director of Information, composed speeches to be read by Tawi Sli on the evening radio broadcasts—all dealing with the explanation of actions taken to dismiss Ningkan, the policy of the federal government to make Malay the national language, the land issue, and larger matters of development. The public and the opposition were surprised by the strength and resolve inherent in Tawi Sli's tough statements and speeches, as was Tawi Sli himself.

By mid-July, the Sarawak Alliance seemed reasonably well poised to be able to consolidate its position of power. There were flaws, to be sure: Tawi Sli was not the dynamo that some people were beginning to think he was; struggles for power between the member parties of the Sarawak Alliance, as then constituted, were far from resolved; and Ningkan appeared certain to remain a strong minority voice. But enough initial direction had been given and, with things satisfactorily in motion, Syed Kechik returned to Sabah. He was anxious to get back to his wife, who was about to give birth to their first child, and to pick up where he had left off

on the campaign for Tun Mustapha and USNO. But less than a month later, he was asked by Kuala Lumpur to return to Sarawak. The Speaker was reluctant to cooperate with the Governor's request that a meeting of the Council Negeri be called; the court cases filed by Ningkan were about to be heard, and there were no firm assurances that these would be decided in the defendants' favour; and officials in Kuching and Kuala Lumpur were getting increasingly concerned that the coup pulled off so effectively in June might soon be overturned. The Tunku had seen Syed Kechik in action and been impressed with what he was to describe to others as his level-headedness. Again, Syed Kechik was given carte-blanche to go in and do what he could.

One of the first things he did was to get copies from the Information Department of every speech Ningkan had made since assuming office in 1963—on education, on language, on relations with Kuala Lumpur, on the Singapore separation, on Confrontation, on his partners in the Sarawak Alliance, on the role of the Chief Minister. These were selectively excerpted and applied in a campaign to discredit Ningkan in the minds of the public. Syed Kechik also renewed his efforts to bolster the public image of the Tawi Sli government. But equal in importance to these media efforts was keeping track of the legal proceedings Ningkan had initiated in cooperation with expatriate officials. Sarawak politicians, given their lack of experience, were somewhat awed by the powers of judicial process, and this was undermining their confidence. Only Taib, who had studied law in Australia. was secure in confronting expatriate officials with the powers of the new government, and it concerned Syed Kechik that the young state minister was rising so quickly, especially since Taib did not enjoy the support of his Alliance partners because of having shattered their trust on several previous occasions.

The suit filed by Ningkan to challenge the constitutionality of the Governor's dismissal action was to be preliminarily heard in the High Court of Borneo on August 22; and the request for a restraining order to prevent Tawi Sli and his cabinet from acting as ministers, on August 25. Notice had been issued on August 12 for convening a Council Negeri

meeting, but given the requirement for 14 days' notice, this could only be held on August 26. Syed Kechik saw this as unfortunate. A series of actions could previously have been taken in the Council Negeri to anticipate and diffuse the ploys of Ningkan, but the opportunity might by this time have been lost. If the rulings of the Chief Justice of Borneo were to render the identity of ministers *sub judice*, this would act as a bar to convening the Council Negeri until the question was fully resolved and accepted by both parties without appeal or until the Council Negeri had to meet by law, and this would not be until December, whichever came earlier.

That is exactly what happened. Chief Justice E.R. Harley ruled in the preliminary hearing that Ningkan's suit against the Governor and Tawi Sli would be heard on August 29, rendering the identity of the Chief Minister *sub judice*. When the Council Negeri sat on August 26, the session lasted a mere seven minutes. The Speaker, referring to the ban on debate on which a decision is pending as a result of civil suits, stated that because the business of the Council Negeri could not be transacted without the participation of ministers and because he was not in a position to know who the rightful ministers were, he had no choice but to adjourn the Council. Interestingly, Ningkan had the previous day agreed to drop the suits if the Council Negeri were dissolved in anticipation of elections—but with electoral support for Ningkan growing, with the impossibility of demarcating new constituencies quickly, and with the unacceptability of holding elections under the old three-tier system which enabled non-Malaysians to vote, this had again to be rejected.

An impasse was developing to Ningkan's advantage, and something had to be done to break it. Syed Kechik saw that if the courts were to deliver a final judgment in Ningkan's favour, little could be done to compel Ningkan to convene the Council Negeri immediately. According to the Sarawak constitution, the Council could be convened only on the instruction of the state cabinet, of which Ningkan would again be head, to the Governor. Instead of doing this, Ningkan would try to coerce some of his opponents, who by this time numbered 25, with cabinet posts and other incentives in an effort to regain a majority. If this were unsuccessful, he would

call for elections, making full use of government machinery to popularize himself, and bring in political strategists from outside the state. It was also felt that Ningkan and his SNAP supporters, together with SUPP, would prepare for secession and possibly a link-up with Singapore. Even if Ningkan lost the case, he would simply appeal and thereby prevent the sitting of the Council until December, paving the way for his exploitation of an increasingly volatile situation.

An alternative plan had to be developed, and Syed Kechik saw this as residing in the Sarawak constitution. The gaps in the constitution which made it impossible for the Chief Minister to be dismissed and for the Council Negeri to be convened, even though the Chief Minister did not have majority support, had to be closed. This could be done by Kuala Lumpur's suspension of constitutional process in the state. To begin to set the stage for such federal action, Syed Kechik drafted statements for release to the press on August 28 regarding the gravity of the security situation because of political tensions and the communist threat. A petition was sent by the Council Negeri members to the *Yang di-Pertuan Agung* (The King of Malaysia) and copied to the Prime Minister, in which the events were recounted of the preceding two-and-one-half months, the legal aspects were detailed of the likely suspension of constitutional government because of the impasse in the courts, and a request was made for special action to preserve security and prevent administrative chaos. A similar petition was sent to the Governor, and on the same day a letter was drafted for Tan Sri Jugah's signature, making yet another appeal to the Governor.

Kuala Lumpur was understandably reluctant to act with a heavy hand at this moment, particularly because the judgment in the case against the Governor and Tawi Sli had not been delivered. Chief Justice Harley heard the case on August 29 and set September 7 as the date for judgment. Matters were thus temporarily in abeyance. As a precaution against Ningkan's persuading fence-sitters to join his forces before the judgment was rendered, the 25 members of the Council Negeri were flown to Kuala Lumpur to ensure that they would remain resolute in their backing of the Tawi Sli government. A week later, on September 6, they flew back

to Kuching, accompanied by Syed Kechik, and were kept incommunicado. Some were put up at the government rest house on Rubber Road; some at Tan Sri Jugah's residence; some at the Arif Hotel. All were under police protection. When this was initially requested, Police Commissioner Roy Henry refused and was immediately over-ruled by Kuala Lumpur. A senior police officer from Kuala Lumpur had earlier been posted to Kuching as Deputy Commissioner to ensure that Sarawak police would follow federal instructions, and he gave the order for protection. Even so, late on the eve of the judgment, Ningkan and some of his men were able to contact four Alliance members, allegedly threatening them with jail if they did not support him. Kana was also cajoled and threatened with anonymous telephone messages—receiving offers of $25,000 to switch sides and being told that his life would be in danger if he refused.

The next morning, Chief Justic Hurley handed down his judgment in Ningkan's favour, and Ningkan was reinstated as Chief Minister. Syed Kechik immediately got on to Tun Razak to say that Ningkan had to be brought down at whatever cost—financial or constitutional. He was sent $20,000 to cover the expenses of ministers who had to move out of government houses and of Council members who had to be cloistered until matters were resolved. The public strategy was to call for a meeting of the Council Negeri so that a motion of no confidence could be passed against Ningkan. Syed Kechik drafted letters to the Governor for the 25 Alliance members and for Tawi Sli, requesting that such a meeting be convened. The Governor was then advised to send an official request to Ningkan that the Council be convened. Ningkan predictably refused, citing the article of the Sarawak constitution which provided for the Council's being called only by a request to the Governor from the state cabinet, and stated that such a request was not forthcoming.

Repeated appeals for a meeting of the Council Negeri were made by the Sarawak Alliance members and highly publicized in order to build up public opinion against Ningkan's actions and portray these as prejudicial to democratic process. Ningkan launched counter-moves, filing a suit against Tawi Sli for alleged misappropriation of state funds

in his recent unsuccessful defence. The Speaker remained neutral, stating that he was powerless to do more than simply pass on the Governor's request to the Chief Minister and inform him that by established convention it was the responsibility of the government to accede to a demand from the opposition to allot one day in the Council Negeri for the discussion of a motion expressing lack of confidence. Syed Kechik knew these official and public efforts to be futile, but nevertheless necessary as a smokescreen for what would follow. The longer Ningkan was in power, the greater was the likelihood of his co-opting some of his opponents. Syed Kechik thus renewed his plans for suspending the constitution to enable realizing the desired objectives.

This had to be orchestrated with considerable subtlety. The eyes of all Southeast Asia and much of the world were now on Kuching. Journalists had flown in from Europe, the United States, and elsewhere. There also were suggestions that intelligence agents for the super-powers were scouring about to learn what they could and influence the turn of events in their respective favours. It was becoming apparent that the deflection of events in this young state could permanently influence the direction of political persuasion in the entire region. Everybody knew that something was up in this hitherto quiet Borneo town and that the movements in guarded cars, the secret conversations over dinner tables, the ongoing negotiations in hotel rooms, and the communications between Kuching and Kuala Lumpur were all belied by the calm that seemed to prevail. But even subtlety might have to be abandoned, for Syed Kechik was concerned not so much by the temporary loss of face by Kuala Lumpur as by the permanent damage this could result in for the relationship of the federal government vis-a-vis all the other states in the federation.

Federal leaders had of necessity to keep a low profile in the fray, and Syed Kechik became their main link with the goings-on in Kuching. By virtue of circumstance as much as anything else, he became a central figure in what developed. He was in direct and regular contact with Tun Razak through secret military communication channels. He was the link with Information Department machinery for the release of

statements and speeches. He was the link with the 25 Alliance members of the Council Negeri, exacting their support and ensuring their safety. And he had gained the trust of Sarawak political leaders. He seems to have been acceptable simply because he was unknown to them. As a stranger, he could approach matters with objectivity, separate from the personal jealousies that had arisen to make them less than fully allied, with each seeking to promote the prominence of his own party. Syed Kechik served as a unifying link between them. His legal mind was useful in the approach to judicial and constitutional matters; his background at the Information Ministry made him aware of the efficacy of the media; he appeared to have extraordinarily good contacts with decision-makers in Kuala Lumpur; and he was forceful, bolstering their resolve when it began to flag, insisting on their persistence in what seemed a hopeless impasse. He was, in essence, running the show, and Tun Razak made no moves regarding Sarawak without consulting him. But, as in Sabah, he maintained a low profile that reflected outward necessities as much as his personal style.

He had a plan, and it was his conviction that whatever the merits or demerits of that plan, if it were carried out secretly and quickly, the end objectives could be achieved. He wanted no interference, and when Musa Hitam, by this time the Executive Secretary of UMNO, and Abdullah Ahmad, the political secretary to Tun Razak, flew in to help, he met them at the airport. They told him they were sent by the Deputy Prime Minister to assist and asked what they were supposed to do. Syed Kechik told them the best way they could help was to get back into the plane and return to Kuala Lumpur. They said they would await instructions from Tun Razak. Syed Kechik's concern was that their involvement would implicate UMNO and be construed by Ningkan as an attempt by the Malays to put down the Ibans, adding fuel to what already was a hot issue. In one session at the Aurora Hotel, they began to expound their notions on how matters could be resolved. Syed Kechik found these a bit gratuitous. They did not have the basis of two months' intensive exposure to politics and personalities in Sarawak and saw things from an exalted federal viewpoint only.

But he was not about to counter their recommendations with an exposition of what he had in mind. He told them that if they thought they could do better, then they should take over and he would go back to Jesselton. He preferred to work alone and in secrecy, knowing that involving more people would muddle his efforts. Shortly thereafter, Musa and Abdullah flew back to Kuala Lumpur, doubtless envious of the trust their counterpart had garnered from Sarawak politicians, angered by his unwillingness to draw them into the arena, and put off by what they regarded as his attempts to increase his own political capital.

Of critical importance was maintaining the loyalty of the 25 Alliance members of the Council Negeri. Already, they were growing restless, annoyed by the enforced separation from their wives and families and fearful of the reprisals Ningkan might resort to. But Ningkan's threats were turned against him. These were exploited to justify the continued cloistering of the 25 Council members and enable assertions that the security situation in the state was becoming serious. The real concern, of course, was that crossovers would result not from intimidation, but from offers of cabinet positions and money. SNAP had the financial support of some influential and wealthy Chinese businessmen. Datuk James Wong, one of the SNAP leaders, was himself wealthy, and a few Chinese families had been using all the parties as their pawns, buying influence in each to ensure that they had a stake in government regardless of the party in power. In the face of many thousands of dollars, the integrity of a man, not wealthy by circumstance and a politician almost by accident, could quickly disintegrate.

In the media, attention was drawn to the inequities of a government run by minority: SNAP commanded only six seats in the Council Negeri. This was increased subsequently when SUPP with its five seats joined SNAP, but as soon as the partnership was announced, the known infiltration of SUPP by the communists was brought to the fore. Attention was also drawn to the repeated requests of the Sarawak Alliance majority for a meeting of the Council Negeri. Ningkan had his replies to all these and was making other thrusts as well. But since the Sarawak Information

Department was under Kuala Lumpur's control, and subject to Syed Kechik's instructions, it was possible to minimize the coverage given to Ningkan's actions and statements. This was criticized as a 'black-out' and had to be countered with a statement from Senu that cited instances of recent coverage of Ningkan in the Sarawak media.

With the impasse that was typified by one headline shortly after Ningkan's reinstatement—TAWI SLI CALLS FOR COUNCIL NEGERI: NINGKAN CALLS FOR ELECTIONS—Syed Kechik felt that the only way to get Ningkan out and keep Sarawak in Malaysia was to have a state of emergency declared. Because of Confrontation, em rgency regulations were still in force throughout the cc .try, and this in itself was sufficient to suspend constitutional process in Sarawak by an edict from the *Yang di-Pertuan Agung*. Under section 150 of the Malaysian constitution, the federal government could suspend the Sarawak constitution and appoint an Administrator to administer the government until the Privy Council, as the country's highest judical tribunal, decided on the appeal regarding the rightful Chief Minister or until the people of the state selected their representatives at the forthcoming general elections. The problem with this, however, was that it would open a constitutional wound for an extended period, and even when closed, the scar of federal tampering would affect Sarawak's political sensibilities long into the future.

The alternative was to amend, rather than suspend, the Sarawak constitution in order to give the Governor discretion in summoning the Council Negeri and the power to dismiss a Chief Minister who had lost the confidence of the Council. This could have been done under the prevailing state of emergency which gave Parliament legislative authority over the state bodies and the power to rewrite the state constitutions at its will. But this would have been arbitrary and without real basis. It would, moreover, have set a dangerous precedent and scared the state governments in the other twelve states. If, however, it were demonstrated that security in the state was steadily degenerating and that democratic process was being prejudiced by having a government of the minority, then the federal government would

have greater justification for action. In fact, the security situation was not that serious, but it had the potential to become serious and, with the SNAP-SUPP partnership, Sarawak politics were taking on a distinctly secessionist bent. SUPP had been against Malaysia since 1961, and it was seen by many as the political front for Sarawak's Clandestine Communist Organization (CCO). The real danger, then, resided not on the streets, but in the machinations of minority politicians.

The stage had been set by press releases in late August emphasizing the gravity of the security situation in the state. These were followed, after the reinstatement of Ningkan, by reports of threats to the safety of the 25 Sarawak Alliance members of the Council Negeri and embellished with expressions of concern that their constituents might retaliate openly against the supporters of Ningkan. It was known that two busloads of Ibans from the Second Division, the heartland of support for Ningkan and SNAP, had come into Kuching, replete with war dress, spears, swords, and shotguns, and were assembled at Ningkan's house. The bloodshed that seemed imminent had to be supplanted by the simulated. On September 14, Syed Kechik reported to Tun Razak through his military channels that SUPP and SNAP had agreed to make a united stand with a common platform in the coming elections and that their support in the state was growing. He reported also that there was a possibility of some demonstrations being staged in Kuching that very day. Indeed, these were already being planned.

Leaflets denouncing Ningkan with allegations that SNAP and the communists in SUPP would 'kill' democracy in Sarawak were distributed throughout Kuching. A demonstration was organized at Pangkalan Batu across from the Astana, where hundreds assembled to proclaim their support for Tawi Sli and the Sarawak Alliance government. Although such assemblies were strictly illegal under the emergency regulations, the police had been informed of the benign intent and asked to stay out of it. As frosting to all this, some Barjasa supporters engaged in a bit of vandalism later that evening, breaking the windows of a few establishments in Kuching to reflect anti-British and anti-Ningkan sentiment.

And reports on the tense security situation had been circulating for some days. The tension was real; the manifestations of it, contrived. But the federal government had the justification it needed for fresh and radical action.

On the morning of September 15, a state of emergency was declared in Sarawak, and the gaps in the Sarawak constitution would soon be filled. Ningkan had been caught flat-footed: he had underestimated his local opponents and the extent to which the federal government would go; he had assumed all along, and erroneously, that their only recourse was to appeal the High Court's decision which, although suspending the activities of the Council Negeri, would serve ultimately to work in his favour by giving him time to manoeuvre. Once again, he advised the Governor to dissolve the Council Negeri and to call for general elections. And once again, the Governor declined. As a last gasp effort, Ningkan cabled the residents of the five divisions into which the state is administratively divided and instructed them to call for meetings of the District Advisory Councils, the electoral bodies of the old three-tier system, on September 26 so that early elections could be discussed and their confidence in their Council Negeri representatives assessed. Ningkan felt he could obtain a vote of confidence from four of the five District Advisory Councils and use this as a legitimate basis in his quest to stay in power. But even this effort was anticipated and pre-empted.

At an emergency session of Parliament on September 19, two amendments to the Sarawak constitution were tabled and enacted, giving the Governor powers to convene the Council Negeri at his own discretion and to dismiss the Chief Minister on a direct appeal from Council Negeri members. Speeches were delivered in Parliament by Sarawak members Thomas Kana and Rahman Yakub to thank the federal government for its swift and appropriate action, and explanatory messages were flooding the media. The Governor did not dismiss Ningkan straightaway, however. To create a greater air of the legitimate workings of democracy, he called for a meeting of the Council Negeri on September 23, at which the no confidence motion was passed to enable Ningkan's dismissal the following day.

In the interim between the declaration of emergency and the sitting of the Council Negeri, Syed Kechik drafted statements to palliate the sensibilities of a bewildered populace. Communications in the state were poor, and people outside Kuching had little idea of the actual picture there except for that presented by the Information Department, which in light of the envisioned objectives was one of chaos. This quickly had to be reversed to assure everybody in the state that things were back to normal and that security was well in hand—all combined with a bit of applause for the federal government and the Sarawak Alliance for their sensible handling of the crisis. The campaign to improve the image of Tawi Sli began anew and, as had been done in Sabah after the exit of Stephens, the emphasis shifted immediately to the concerns of development in order to divert attention from the recent political events.

With the prospect of Tawi Sli's reinstatement, there was a fair amount of jockeying between the four Sarawak Alliance partners for power—specifically for the ministerial appointments in the new government. Since Pesaka and Barjasa stood firm in their desire to topple Ningkan, the balance tipped in their favour. PANAS and the SCA, having wavered, saw their positions eroded as punishment for backing the status quo. But from these negotiations, Syed Kechik stayed away. Except for some general recommendations offered to Taib, Rahman, Kana, and Tan Sri Jugah on the need for fair treatment of PANAS and the SCA, the actual choices were theirs. It was sufficient that political sentiment in Sarawak had been deflected towards Kuala Lumpur. Years later, he would realize that the spectre of fragmentation was more real than it seemed and recall Kana's telling him on the day of the swearing in of the new cabinet that Ningkan's ouster would not have happened without him. Perhaps not, but at the time, his attentions had already shifted to events elsewhere. He left Kuching that evening for Jesselton.

3

Sabah's First General Elections (1966-67)

Although there had been talk for some time about holding general elections in Sabah, Kuala Lumpur was none too anxious to test federal popularity with a less than enlightened electorate. Instead, federal persuasions were promoted through state leaders ensconced during the negotiations for Malaysia and for the large part still in power at Kuala Lumpur's prerogative. External considerations, however, made early elections imperative. General Suharto had come into power in Indonesia and was desirous of patching up relations with Malaysia. The military actions of Confrontation had ceased, and diplomatic relations were in the process of being normalized, with the first steps having been taken in Bangkok in May 1966. But this process could not be accelerated at a pace that ignored domestic realities in Indonesia. Throughout Confrontation, President Sukarno massed a media campaign against Malaysia, and an abrupt volte-face might have been resented by the Indonesian public. Some external justification for a change in foreign policy was needed to reinforce the new outlook in Jakarta, and elections in Sabah and Sarawak could provide this. A direct referendum for or against Malaysia was out of the question as essentially divisive and potentially risky. But an indirect referendum, in which voters demonstrated their support for Malaysia by voting for candidates standing on pro-Malaysia platforms, could serve this same end and

perhaps even induce the new government in the Philippines to relinquish their long-standing, and diplomatically disruptive, claim to Sabah. Because of the repeated disclaimers concerning the impossibility of holding early elections in Sarawak, combined with the still volatile situation there, these could be held only in Sabah.

It was with the prospect of these elections in mind that Syed Kechik directed most of his efforts after the ouster of Stephens and Mojuntin, but when he returned to Sabah from Sarawak in late September 1966, he found that little had been done in his absence to develop USNO as a party. UPKO, on the other hand, had registered substantial gains. In addition, Stephens clearly was setting the stage for a political comeback and let it be known publicly that UPKO might pull out of the Sabah Alliance to test its electoral appeal. Had Stephens remained apart from politics as promised, elections would have been straightforward. USNO and the SCA would have been able in intra-Alliance negotiations to badger the weakened UPKO into accepting a small number of seats in the state Legislative Assembly. But with Stephens again in the picture, UPKO's bargaining position became much stronger, particularly since the party seemed to enjoy the bloc support of the Kadazans, the largest ethnic group in the state. The prospect of an UPKO withdrawal made it imperative to prepare for the possibility of straight fights between USNO and UPKO candidates in predominantly native constituencies. For these, USNO was ill-prepared, having relied almost entirely on the prestige and charisma of Tun Mustapha and the prospect of contesting only against independents.

Before going to Sarawak, Syed Kechik focussed his efforts on building up Tun Mustapha, thinking that if the Tun had a strong political base, a strong party would form up around him. He intentionally stayed away from the workings of the party, leaving these to Tun Mustapha and his lieutenants, and feeling that it would have been imprudent for him, a West Malaysian, to become directly involved in formulating party policies. Instead, he made recommendations to the USNO President, assuming these would filter down and impress party officials with Tun Mustapha's

organizational capabilities. Since his coming to Sabah, most of what he recommended had worked, and Tun Mustapha had begun to regard him as something of an amulet of his political fortunes. But because Tun Mustapha was essentially suspicious, as every politician must be, this respect and trust could easily be breached. To avoid this, Syed Kechik worked directly, and only, with Tun Mustapha. As a result, the party organization had not been strengthened.

Shortly after returning from Sarawak, he approached Tun Mustapha with a detailed outline of his proposed strategy for the elections, laying particular emphasis on the requirements for a solid party structure. With Tun Mustapha's approval, he began in the last months of 1966 to become more directly involved in planning for the elections then expected in March or April of the coming year. The groundwork had to be laid quickly. He immediately brought in Hassan Yaacob, a veteran UMNO worker and campaign organizer from Kelantan, and installed him in an executive post in USNO to develop the party's organization, monitor the party's activities and internal politics, and implement his directives. To maintain the pivotal support of the SCA, he made certain that relations with all Chinese leaders, moderate and radical, were assiduously attended to. To keep a closer watch on expressions of anti-Malaysian sentiment made by UPKO and independent politicians, he liaised with the Special Branch and requested that they set up an operations room for gathering political intelligence. To get USNO before the public, he lubricated the Information Department's machinery and then fueled it with frequent reports on the movements and activities of Tun Mustapha and on the visits of Alliance leaders from Kuala Lumpur, interlacing these with assertions of the close relationship between USNO and the federal government.

In late November, he left on a three-week tour of Australia to observe the campaign and polling for their general elections. His involvement in the Kedah elections in 1955 and 1964 had given him a solid grounding in election procedures, but he wanted to familiarize himself more fully with the nuances of the electioneering process. Given the lack of sophistication and experience of the Sabah electorate, he realized that

much of what he saw could not be applied to the situation in Sabah at that time. What impressed him most were the manner in which the government in power used government machinery to get across their message and the strict adherence to the letter, not the spirit, of the election ordinances. He also met with the heads of a number of statutory boards engaged in activities that were relevant to development efforts in Sabah. But these would have to gestate in his mind for some time — the first thing was to win the elections.

It became apparent in mid-January that nomination day would be in the first week of March and the staggered polling would begin a month later. So he decided to tour USNO branches throughout the state to see district level organization at first hand and to assess the likely performance of Sabah Alliance candidates in the coming elections. Much of the mission was advance work: smoothing over grievances; studying the internal politics in each constituency; discussing with party officials the development projects they wanted undertaken in their areas; identifying their preferences for candidates; and differentiating the strong constituencies from the weak to determine the eventual deployment of party resources. Progress had been made in the previous year, but UPKO and the independents were already actively campaigning, and in many constituencies USNO was lagging behind simply because of inertia. The USNO party machinery had to be activated throughout the state, and the only lubricant to get this going was the gentle incentive of money. Having received appeals for money to fund the election campaign in every constituency he visited, he recommended that party offices in each of the 32 constituencies be sent an initial $5,000 so that full-time field officers could be engaged at $150 a month.

The inactivity of branches was not the only cause for concern. Syed Kechik discovered that Stephens, while on a similar tour a few weeks earlier, was encouraging a number of people to stand as independents, assuring them of both his and UPKO's support. The ploy was subtle. UPKO could remain in the Sabah Alliance, certain to obtain a fair number of safe seats, and at the same time back the independents against USNO and SCA candidates. In urban constituencies parti-

cularly, there was dissatisfaction with SCA politicians who had compromised Chinese interests, and the independents could cut into SCA electoral support on this issue alone. The overall plan, of course, was that after the results were in, UPKO would link up with the successful independents to form the new state government. After returning to Jesselton, Syed Kechik informed Kuala Lumpur of Stephens' attempts to undermine the Sabah Alliance.

Although USNO had financial backing from Tun Mustapha and the advantage of being able to avail itself of federal government machinery during the elections, UPKO had only the financial backing of Stephens. But this could be parlayed to secure additional funds from the wealthy Chinese and from sources outside the state. Many Sandakan timber tycoons were disenchanted with SCA politicians and unhappy with a new timber tax proposed by Kuala Lumpur. In addition, British commercial operations and certain political interests in Singapore had their own reasons for seeing UPKO installed in the new government. These sources could be tapped to fund an UPKO campaign machine that would be quite formidable. For this backing, Stephens' presence and participation were essential. He was at the fulcrum: with him, UPKO and the independents could expect to do quite well; without him, they stood little chance at all. Responding to repeated requests from Syed Kechik, Kuala Lumpur agreed to take Stephens out of the political arena by giving him a diplomatic assignment, possibly as High Commissioner to Canada or Australia. Stephens had already discussed an ambassadorial appointment with the Tunku, and this was scheduled for mid-1967, after the elections. His posting had only to be advanced to remove him from the scene.

By late Febrary, however, Syed Kechik reversed himself and recommended to the Tunku that the original time-table for Stephens' appointment be adhered to. This was to prevent a split in the Sabah Alliance, which seemed imminent. Already, some UPKO members were talking of withdrawing from UPKO to contest as independents themselves; others wanted to take the entire party out of the Alliance. Stephens was seen as the only person capable of controlling the more

extreme UPKO members. Were he to leave, an UPKO breakaway, with all of its unfolding consequences, would almost certainly follow. USNO, instead of running in a pre-determined number of relatively safe constituencies, would have to mount campaigns in all rural constituencies with considerably fewer assurances of success. And the campaign would devolve on racial and religious differences, combined with the issue of Sabah's relationship with the federal government. These were rifts better left unopened, except in inter-party negotiations behind closed doors. Syed Kechik's thinking was that with Stephens in the Sabah Alliance, he could at least be controlled and perhaps even pressured into campaigning against the same independents he was quietly supporting. He also felt that UPKO would stay in the Sabah Alliance at all costs, for fear of having no share in power if UPKO were to go it alone, and that one of the costs to be borne would be the acceptance of a number of seats disproportionately lower than their actual appeal in the electorate. He advocated therefore that Kuala Lumpur be tough neither on Stephens nor UPKO for their federal transgressions. The strategy adopted was to encourage UPKO to remain in the Sabah Alliance, but at the same time to keep a close watch on them because of their past record of opportunistic ploys and reversed stances.

Syed Kechik continued to be suspicious of UPKO and on the lookout for signals indicating further subterfuge. One such signal emanated from the formulation of the Sabah Alliance manifesto, the platform on which the Sabah Alliance would stand during the campaign. Its drafting had been entrusted to Richard Yap, the UPKO state Minister of Health, who was appointed Chairman of the Sabah Alliance's manifesto sub-committee. Yap's submission, in anticipation of the Sabah Alliance Council meeting scheduled for March 1, included only a cursory description of the activities of the various ministries—a single paragraph was allocated to each, couched in the most casual of terms. Syed Kechik saw this as tantamount to sabotage and stepped in immediately to take over responsibility for its preparation.

He built his version of the manifesto around three major points: the reaffirmation by the people of Sabah of

their faith in Malaysia; the blanket rejection of the Philippines' claim to sovereignty over the state; and the concerted programmes planned by the Sabah Alliance for continuing with the economic and social development of the state. The document was of critical importance not only in articulating the Sabah Alliance's posture to the electorate, as carried in the elaboration of the third point, but in achieving the diplomatic objectives which had precipitated early elections in the first place. One stipulation made by the Indonesians at the Bangkok summit was that, in exchange for bringing Confrontation to an end, some form of referendum or election be held in Sabah and Sarawak to demonstrate in no uncertain terms that the people of those states wanted to be part of Malaysia. The Malaysian Foreign Affairs Ministry therefore indicated to Syed Kechik that a strong pro-Malaysia statement should be prominent in the Sabah Alliance manifesto. The point on the rejection of the Philippines' claim was the addition of Syed Kechik, though subsequently endorsed by Foreign Affairs.

Syed Kechik also worked closely with Tun Mustapha in allocating the 32 elective seats among parties in the Sabah Alliance. The Legislative Assembly was then constituted as follows: of the 32 seats determined by the earlier indirect elections, USNO held 14, UPKO 11, and SCA seven; of the four nominated voting seats, the four parties in the Sabah Alliance—USNO, UPKO, SCA, and SIC—held one each. The numbers were important. Seventeen seats were needed to form the government and, even though the SCA had been aligning itself with USNO, nothing was ever permanent or certain in politics. Using as persuasive justification the growing support for USNO in the state, the tacit support for USNO in Kuala Lumpur, and the various egregious activities of UPKO in the preceding months, Syed Kechik recommended that Tun Mustapha make a claim for a majority of the seats—with one extra for good measure, just in case one contest were lost to an independent. The SCA was dependent on USNO support in a number of its constituencies and could doubtless be persuaded into accepting six seats. UPKO would get the remaining eight. It was a long shot, at best, but it was worth starting from an extreme position to let UPKO know that Tun

Mustapha meant business.

When the Sabah Alliance Council met on the evening of March 1, one week before nomination day, Yap's proposal for the manifesto was decried as propagandistic and rejected in favour of the one prepared by Syed Kechik. The rest of the meeting centred around the allocation of seats. Tun Mustapha made his proposal for an 18-8-6 split by USNO, UPKO, and the SCA respectively. Stephens countered with a proposal for a 13-13-6 split. They ran through the constituencies one by one and reached general agreement on the six SCA seats, eight of the UPKO seats, and nine of the USNO seats. But there was a deadlock over the remaining nine seats: UPKO wanted five of these; USNO wanted them all. The meeting adjourned for more than two hours to let the party leaders sort things out among themselves. During this interlude, Tun Mustapha telephoned Syed Kechik who was sitting out the meeting at Tun's house. His adviser recommended that he stand firm, feeling that Stephens ultimately would give in—if not at that meeting, then perhaps later. But when the meeting resumed, even the seats that had been agreed upon were called into question and UPKO suggested that it would be better for the two parties to enter into friendly contests in the various constituencies to let the voters decide. The meeting was still deadlocked at one in the morning, and it was agreed that the Council would meet again on the evening of March 3 after the respective leaders met their party supporters.

For the March 3 meeting, Syed Kechik once again advised Tun Mustapha to hold his ground. The request for 18 seats was, in his mind, not unreasonable, and it offered the advantages of being able to form a government without having to become overly beholden to the SCA. Besides, it was too early to begin making concessions. The idea of friendly contests was also to be discouraged, given the divisiveness this would instill in the Sabah Alliance. In the meeting, UPKO began to change its stance, first recommending a continuation of the status quo, whereby USNO would have 14 seats, UPKO 11, and the SCA seven, and then pulling back one step further, conceding one of the SCA seats to USNO while keeping their own number at 11.

Interestingly, this would have given UPKO and the SCA the magic number of 17 seats, and secret negotiations between the two parties may indeed have been under way. This meeting also ended in a deadlock, and yet another was scheduled for March 6, precariously close to nomination day, but unavoidably so, given the travel commitments of the various party leaders.

At this third meeting, Stephens reported that the UPKO Council, at a session earlier in the day, had unanimously rejected the proposal for eight seats and remained adamant that at least 11 seats be given them. Tun Mustapha then agreed to concede one of USNO's 18 requested seats to UPKO, bringing their total to nine. Stephens said he could not agree to this, but that he would refer the offer to another meeting of the UPKO Council the next morning. He agreed also that a reply would be sent to Tun Mustapha before four o'clock the next afternoon. Because this would be a mere 18 hours before the two-hour nomination period was to open, USNO and the SCA agreed after the meeting to arrange to nominate candidates in 23 constituencies, with 17 for USNO and six for the SCA, all under the Alliance symbol.

It was fast becoming apparent that Stephens, while proclaiming compromise and conciliation all along, was playing an end game. After he heard in early February that Tun Mustapha wanted to handle the allocation of seats himself, he proposed this at a meeting of the UPKO Central Executive Committee and arranged its rejection to make it appear that he was willing to compromise, but that his colleagues were not. At this same meeting, it was agreed that the party's Secretary-General, Peter Mojuntin once again, should issue letters authorizing their candidates to use the UPKO party symbol in the elections. The plan was already being set in motion. UPKO, expecting to be dissatified with any proposal put forward for the seat allocations, would negotiate until the last possible moment and by so doing keep their Sabah Alliance partners off their guard. Then, it would nominate candidates authorized to use the UPKO symbol and move to prevent USNO and SCA candidates from running under the Alliance symbol. Since use of the Alliance symbol required unanimous approval of the Sabah Alliance Council,

of which UPKO was a part, that approval could simply be withheld. UPKO was hoping to state a procedural coup. Critical to the nomination procedure was the requirement that candidates submit letters, signed by the secretary-general or president of the parties, authorizing them to use the party symbol. Without such a letter, a candidate could be disqualified. By holding off in the allocation negotiations, UPKO was hoping to create a situation in which many USNO and SCA candidates would be unable to submit their nomination papers properly. As many as a dozen USNO candidates might thus be disqualified, and power would fall into the laps of UPKO, almost by default.

On March 7, Syed Kechik was working at USNO headquarters directing the preparation of the nomination papers for all the USNO candidates. The reply from Stephens was anxiously awaited, but the four o'clock deadline came and went. It was only at seven o'clock that the letter from Stephens to Tun Mustapha was delivered to USNO headquarters. In this, Stephens claimed that he could not convene the UPKO Council because many of its members had returned to their constituencies. He had nevertheless been able to contact a number of them by telephone, and the consensus was that the nine-seat proposal was unacceptable. Consequently, friendly contests should be held. He repeated his desire to remain in the Sabah Alliance, but expressed his concern with the proposal that USNO and SCA candidates use the Alliance symbol in constituencies where UPKO was contesting, because this would make it appear that UPKO candidates were contesting against the Alliance and that UPKO was no longer a part of the Alliance. Finally, he reminded Tun Mustapha that the Alliance symbol could be used only with the unanimous agreement of the Sabah Alliance Council.

The general response at USNO headquarters was: so be it. But Syed Kechik was concerned with Stephens' mention in his letter of the use of party symbols. He realized that UPKO could seek, and probably secure, an injunction to prevent USNO and SCA candidates from using the Alliance symbol. Tun Mustapha and his lieutenants were initially unimpressed by the possible ramifications of this action, doubtless feeling secure in their standing on

Alliance ground. Then, Syed Kechik received word that just such an injunction was being sought with assistance from the state Attorney-General. Syed Kechik and USNO had been duped, largely because of their focussing on attempts to keep UPKO in the Sabah Alliance. They had suspected that UPKO was capable of treachery, but in this move they were being played out. UPKO had only to sit back and innocently watch the ensuing frenzy, certain that they would enjoy the best of both political worlds—contesting under their own symbol as a party in the Alliance, with all the advantages accruing thereto, and being unchallenged by USNO in many constituencies, with the accession to power that would follow.

While USNO leaders talked about expelling UPKO from the Sabah Alliance—an impossibility since there was no constitutional provision to expel a component party—Syed Kechik began drafting for Tun Mustapha's signature the letters of authorization to use the USNO symbol. Things had to happen quickly, but Tun Mustapha was not easily persuaded. He felt that having USNO candidates running under the USNO symbol, not that of the Alliance, would offend the Tunku and other national Alliance leaders in Kuala Lumpur, as well as weaken the posture of USNO during the campaign. But when Syed Kechik learned that SCA candidates already had their letters of authorization and relayed this new information, Tun Mustapha immediately acquiesced, seeing the prospect this raised for the balance of power. By this time, it was after midnight, and only 12 hours remained to get the necessary documents to the 17 USNO candidates originally selected and to the nine additional candidates being fielded at the last minute. Copies of the symbol itself had also to be scraped up and, insofar as this was not anticipated at all and as all posters and the like had been printed only with the Alliance symbol, this was no straightforward task either.

The race was against time. Couriers were steadily being dispatched by Land Rovers to all the constituencies in the West Coast Residency, with many of them driving straight through the night. And at first light the next morning, planes, helicopters, and rail-cars were chartered to get the requisite documents to candidates in the more remote areas.

When nominations closed, 25 USNO candidates had managed to file successfully, but the twenty-sixth had to file as an independent in Tambunan because the letter of authority to use the party symbol arrived late—a fate which would have befallen many more had immediate action not been taken. All six SCA candidates filed their nomination papers without a hitch. Four of these ran under the Alliance symbol, but two had to run under the SCA symbol because UPKO fielded candidates in their constituencies. UPKO, instead of mustering 10 or 11 candidates, got 24 of its candidates nominated. And there were 26 independents, many tacitly supporting UPKO. The election campaign was on and, as Tun Mustapha was to say, there would be nothing friendly about the various contests.

Tun Mustapha had seen, in the chaos surrounding the nominations, that if Syed Kechik had not been around to advise him, USNO would have lost a substantial number of seats through procedural disqualifications and UPKO would have been able to walk into power with relative ease. Because of this, and the fact that most of the capable people in USNO were running for election in their own constituencies, Tun Mustapha asked Syed Kechik to direct the USNO campaign, giving him a free hand. Temporary headquarters were set up in Rooms 502 and 503 at the Hotel Capital in Jesselton, and for the next 50 days this was the nerve centre for anything related to the campaign. Maps went up on the walls. Voter lists went out to the branch offices throughout the state. Lists were compiled indicating the leanings of *orang tuas* (village headmen), native chiefs, and district chiefs, because of the influence of their authority. Ethnic breakdowns of the 32 constituencies were obtained. Rooms were reserved in the hotels and rest houses throughout the state. And a full communications network was established. But these were administrative matters, and a great deal more was involved.

The Sabah Alliance manifesto was the basic platform for the campaign and provided the basis for all speeches made by USNO and SCA candidates. The statements of allegiance to Malaysia had regularly to be made, and the planned revolution for progress, which would be undertaken

once USNO and SCA had the mandate to govern, had to be detailed. Because UPKO was technically still a part of the Sabah Alliance, its candidates were able to campaign on the same platform. All three parties wanted to ride in on the success of the incumbent bandwagon, but disassociate themselves from the failures of the government in the preceding years. As a result, the campaign focussed less on developmental issues and more on the parties and their personalities. The real choice to the electorate was therefore reduced to the one between Tun Mustapha and Donald Stephens.

Stephens, as the symbol of UPKO and Kadazan leadership, had to be discredited, a difficult task since he was not standing for election. He had announced during the pre-nomination negotiations that he would not stand in order to foster Alliance unity and to demonstrate UPKO's desire to cooperate with its Sabah Alliance partners. The more probable reason was to avoid jeopardizing his ambassadorial appointment by actions that might offend Kuala Lumpur. This left him with numerous advantages. Unbound by the requirements of having to campaign in a single constituency, he was able to move throughout the state and vest uncertain constituencies with his prestige. Separated from contesting, he was more elusive as a target for USNO and SCA attacks. If UPKO were to form the government, he could still come in as Chief Minister through a later by-election in a safe constituency. And in the minds of the public, he was still the embodiment of everything UPKO stood for.

Syed Kechik mounted a media campaign against Stephens, focussing on his posture with regard to the Chinese, the practices of his native timber cooperative, and his performance as Chief Minister in 1963 and 1964. Stephens' statements that could be interpreted as prejudicial to the interests of the Chinese community were dug out from press clippings going back to 1959. The affairs of the Nabahu Timber Cooperative Society were fully investigated to reveal the manner in which Stephens and other UPKO leaders had benefitted to the exclusion of other members of the co-operative. The lacklustre performance of his cabinet during its tenure was substantiated and linked to the close associations Stephens had with obscurantist expatriate officers. And

actions that could be slanted to indicate the absence of his resolve in the political arena — his dismissals as Chief Minister and as federal Minister for Sabah Affairs, his avowed departure from politics and subsequent return, his moves to break up the Sabah Alliance, his relegation of Chinese members of UPKO to associate status, and his desire to take up an ambassadorial appointment rather than stay in Sabah — were all put into a case-like chronology.

At the same time, Tun Mustapha was portrayed as a champion of the people's interests. Unlike Stephens, he was a candidate, and he still held the federal post of Minister for Sabah Affairs and Civil Defence. Syed Kechik, in studying the election law, discovered that because of a quirk regarding the uncertain status of a candidate, Tun Mustapha could stay on as federal minister until actually being elected to a state seat. This gave him dual status — as candidate and as federal minister — and it was often difficult to separate the two, an ambiguity which was played up to the fullest, much to the dismay of UPKO and the independents who were asserting that he should have resigned the federal post before nominations. Tun Mustapha could move by government helicopter from one area to another as federal minister and make on-the-spot grants for schools, rural health stations, bridges, mosques, and the like. Before the elections, Syed Kechik arranged for the federal government to allocate $3.6 million to a discretionary development fund for this purpose. UPKO again cried foul, but his dual status made it difficult for them to make a solid case.

All government machinery that could be tapped for assistance was drawn into the campaign, and since this could be regarded as a breach of the Election Ordinances, it had to be done carefully. Again, the public justification was Tun Mustapha's position as federal minister. The Federal Secretary's office became the logistical node for marshalling help from all departments having federal ties. The Federal Secretary and the State Development Officer travelled with Tun Mustapha on his tours of the state, authorizing the on-the-spot grants that were so instrumental to the campaign and creating the impression of the federal government's imprimatur on the candidacy of Tun Mustapha and his

entire party. But federally originating largesse was not the full extent of federal influence.

Officers in the Information Department were drawn into the campaign for Tun Mustapha and USNO. The Sabah Director of Information had been informed some months earlier that anything political coursing through its machinery was first to be cleared with Syed Kechik. By the time of the campaign, judicious editing gave way to open campaigning. Information units were screening the film on Tun Mustapha's career, and in the mock voting sessions staged to initiate voters into the nuances of electoral procedures, the role-players were instructed to cast their straw votes beside the Mount Kinabalu symbol, the USNO symbol. Information officers also kept tabs on the leanings of voters, the efforts of workers in all parties, and the tactics being employed — with everything reported back to Syed Kechik at campaign headquarters. This was more in self-defence than in willing contravention of the election laws. UPKO enjoyed the support of the majority of the state's civil servants, mostly expatriates and Kadazans, and this had to be diffused. UPKO was also being actively campaigned for by teachers, agricultural workers, and Christian missionaries — all of whom wielded a fair degree of influence, and all of which had somehow to be countered.

Political intelligence had also to be garnered from other sources. USNO party workers, given their inexperience, could not be trusted in their assessments of support, particularly insofar as they were known to be submitting bogus reports that indicated pictures more positive than were in fact the case. Before the elections, Syed Kechik discussed with Abdul Rahman Hashim, then the Director of the Malaysian Special Branch and later the Inspector-General of Police, the advisability of establishing an operations unit for political intelligence in the Special Branch in Sabah. The original intention was to monitor expressions of anti-Malaysian sentiment and the entry into Sabah of dissident voices from opposition parties in the Peninsula. But with the campaign in full swing and with numerous expatriates in the police doubtless channelling information to UPKO, this unit had to be charged with following all political activities, and more

In the interim between the declaration of emergency and the sitting of the Council Negeri, Syed Kechik drafted statements to palliate the sensibilities of a bewildered populace. Communications in the state were poor, and people outside Kuching had little idea of the actual picture there except for that presented by the Information Department, which in light of the envisioned objectives was one of chaos. This quickly had to be reversed to assure everybody in the state that things were back to normal and that security was well in hand—all combined with a bit of applause for the federal government and the Sarawak Alliance for their sensible handling of the crisis. The campaign to improve the image of Tawi Sli began anew and, as had been done in Sabah after the exit of Stephens, the emphasis shifted immediately to the concerns of development in order to divert attention from the recent political events.

With the prospect of Tawi Sli's reinstatement, there was a fair amount of jockeying between the four Sarawak Alliance partners for power—specifically for the ministerial appointments in the new government. Since Pesaka and Barjasa stood firm in their desire to topple Ningkan, the balance tipped in their favour. PANAS and the SCA, having wavered, saw their positions eroded as punishment for backing the status quo. But from these negotiations, Syed Kechik stayed away. Except for some general recommendations offered to Taib, Rahman, Kana, and Tan Sri Jugah on the need for fair treatment of PANAS and the SCA, the actual choices were theirs. It was sufficient that political sentiment in Sarawak had been deflected towards Kuala Lumpur. Years later, he would realize that the spectre of fragmentation was more real than it seemed and recall Kana's telling him on the day of the swearing in of the new cabinet that Ningkan's ouster would not have happened without him. Perhaps not, but at the time, his attentions had already shifted to events elsewhere. He left Kuching that evening for Jesselton.

3

Sabah's First General Elections (1966-67)

Although there had been talk for some time about holding general elections in Sabah, Kuala Lumpur was none too anxious to test federal popularity with a less than enlightened electorate. Instead, federal persuasions were promoted through state leaders ensconced during the negotiations for Malaysia and for the large part still in power at Kuala Lumpur's prerogative. External considerations, however, made early elections imperative. General Suharto had come into power in Indonesia and was desirous of patching up relations with Malaysia. The military actions of Confrontation had ceased, and diplomatic relations were in the process of being normalized, with the first steps having been taken in Bangkok in May 1966. But this process could not be accelerated at a pace that ignored domestic realities in Indonesia. Throughout Confrontation, President Sukarno massed a media campaign against Malaysia, and an abrupt volte-face might have been resented by the Indonesian public. Some external justification for a change in foreign policy was needed to reinforce the new outlook in Jakarta, and elections in Sabah and Sarawak could provide this. A direct referendum for or against Malaysia was out of the question as essentially divisive and potentially risky. But an indirect referendum, in which voters demonstrated their support for Malaysia by voting for candidates standing on pro-Malaysia platforms, could serve this same end and

perhaps even induce the new government in the Philippines to relinquish their long-standing, and diplomatically disruptive, claim to Sabah. Because of the repeated disclaimers concerning the impossibility of holding early elections in Sarawak, combined with the still volatile situation there, these could be held only in Sabah.

It was with the prospect of these elections in mind that Syed Kechik directed most of his efforts after the ouster of Stephens and Mojuntin, but when he returned to Sabah from Sarawak in late September 1966, he found that little had been done in his absence to develop USNO as a party. UPKO, on the other hand, had registered substantial gains. In addition, Stephens clearly was setting the stage for a political comeback and let it be known publicly that UPKO might pull out of the Sabah Alliance to test its electoral appeal. Had Stephens remained apart from politics as promised, elections would have been straightforward. USNO and the SCA would have been able in intra-Alliance negotiations to badger the weakened UPKO into accepting a small number of seats in the state Legislative Assembly. But with Stephens again in the picture, UPKO's bargaining position became much stronger, particularly since the party seemed to enjoy the bloc support of the Kadazans, the largest ethnic group in the state. The prospect of an UPKO withdrawal made it imperative to prepare for the possibility of straight fights between USNO and UPKO candidates in predominantly native constituencies. For these, USNO was ill-prepared, having relied almost entirely on the prestige and charisma of Tun Mustapha and the prospect of contesting only against independents.

Before going to Sarawak, Syed Kechik focussed his efforts on building up Tun Mustapha, thinking that if the Tun had a strong political base, a strong party would form up around him. He intentionally stayed away from the workings of the party, leaving these to Tun Mustapha and his lieutenants, and feeling that it would have been imprudent for him, a West Malaysian, to become directly involved in formulating party policies. Instead, he made recommendations to the USNO President, assuming these would filter down and impress party officials with Tun Mustapha's

organizational capabilities. Since his coming to Sabah, most of what he recommended had worked, and Tun Mustapha had begun to regard him as something of an amulet of his political fortunes. But because Tun Mustapha was essentially suspicious, as every politician must be, this respect and trust could easily be breached. To avoid this, Syed Kechik worked directly, and only, with Tun Mustapha. As a result, the party organization had not been strengthened.

Shortly after returning from Sarawak, he approached Tun Mustapha with a detailed outline of his proposed strategy for the elections, laying particular emphasis on the requirements for a solid party structure. With Tun Mustapha's approval, he began in the last months of 1966 to become more directly involved in planning for the elections then expected in March or April of the coming year. The groundwork had to be laid quickly. He immediately brought in Hassan Yaacob, a veteran UMNO worker and campaign organizer from Kelantan, and installed him in an executive post in USNO to develop the party's organization, monitor the party's activities and internal politics, and implement his directives. To maintain the pivotal support of the SCA, he made certain that relations with all Chinese leaders, moderate and radical, were assiduously attended to. To keep a closer watch on expressions of anti-Malaysian sentiment made by UPKO and independent politicians, he liaised with the Special Branch and requested that they set up an operations room for gathering political intelligence. To get USNO before the public, he lubricated the Information Department's machinery and then fueled it with frequent reports on the movements and activities of Tun Mustapha and on the visits of Alliance leaders from Kuala Lumpur, interlacing these with assertions of the close relationship between USNO and the federal government.

In late November, he left on a three-week tour of Australia to observe the campaign and polling for their general elections. His involvement in the Kedah elections in 1955 and 1964 had given him a solid grounding in election procedures, but he wanted to familiarize himself more fully with the nuances of the electioneering process. Given the lack of sophistication and experience of the Sabah electorate, he realized that

much of what he saw could not be applied to the situation in Sabah at that time. What impressed him most were the manner in which the government in power used government machinery to get across their message and the strict adherence to the letter, not the spirit, of the election ordinances. He also met with the heads of a number of statutory boards engaged in activities that were relevant to development efforts in Sabah. But these would have to gestate in his mind for some time — the first thing was to win the elections.

It became apparent in mid-January that nomination day would be in the first week of March and the staggered polling would begin a month later. So he decided to tour USNO branches throughout the state to see district level organization at first hand and to assess the likely performance of Sabah Alliance candidates in the coming elections. Much of the mission was advance work: smoothing over grievances; studying the internal politics in each constituency; discussing with party officials the development projects they wanted undertaken in their areas; identifying their preferences for candidates; and differentiating the strong constituencies from the weak to determine the eventual deployment of party resources. Progress had been made in the previous year, but UPKO and the independents were already actively campaigning, and in many constituencies USNO was lagging behind simply because of inertia. The USNO party machinery had to be activated throughout the state, and the only lubricant to get this going was the gentle incentive of money. Having received appeals for money to fund the election campaign in every constituency he visited, he recommended that party offices in each of the 32 constituencies be sent an initial $5,000 so that full-time field officers could be engaged at $150 a month.

The inactivity of branches was not the only cause for concern. Syed Kechik discovered that Stephens, while on a similar tour a few weeks earlier, was encouraging a number of people to stand as independents, assuring them of both his and UPKO's support. The ploy was subtle. UPKO could remain in the Sabah Alliance, certain to obtain a fair number of safe seats, and at the same time back the independents against USNO and SCA candidates. In urban constituencies parti-

cularly, there was dissatisfaction with SCA politicians who had compromised Chinese interests, and the independents could cut into SCA electoral support on this issue alone. The overall plan, of course, was that after the results were in, UPKO would link up with the successful independents to form the new state government. After returning to Jesselton, Syed Kechik informed Kuala Lumpur of Stephens' attempts to undermine the Sabah Alliance.

Although USNO had financial backing from Tun Mustapha and the advantage of being able to avail itself of federal government machinery during the elections, UPKO had only the financial backing of Stephens. But this could be parlayed to secure additional funds from the wealthy Chinese and from sources outside the state. Many Sandakan timber tycoons were disenchanted with SCA politicians and unhappy with a new timber tax proposed by Kuala Lumpur. In addition, British commercial operations and certain political interests in Singapore had their own reasons for seeing UPKO installed in the new government. These sources could be tapped to fund an UPKO campaign machine that would be quite formidable. For this backing, Stephens' presence and participation were essential. He was at the fulcrum: with him, UPKO and the independents could expect to do quite well; without him, they stood little chance at all. Responding to repeated requests from Syed Kechik, Kuala Lumpur agreed to take Stephens out of the political arena by giving him a diplomatic assignment, possibly as High Commissioner to Canada or Australia. Stephens had already discussed an ambassadorial appointment with the Tunku, and this was scheduled for mid-1967, after the elections. His posting had only to be advanced to remove him from the scene.

By late Febrary, however, Syed Kechik reversed himself and recommended to the Tunku that the original time-table for Stephens' appointment be adhered to. This was to prevent a split in the Sabah Alliance, which seemed imminent. Already, some UPKO members were talking of withdrawing from UPKO to contest as independents themselves; others wanted to take the entire party out of the Alliance. Stephens was seen as the only person capable of controlling the more

extreme UPKO members. Were he to leave, an UPKO breakaway, with all of its unfolding consequences, would almost certainly follow. USNO, instead of running in a pre-determined number of relatively safe constituencies, would have to mount campaigns in all rural constituencies with considerably fewer assurances of success. And the campaign would devolve on racial and religious differences, combined with the issue of Sabah's relationship with the federal government. These were rifts better left unopened, except in inter-party negotiations behind closed doors. Syed Kechik's thinking was that with Stephens in the Sabah Alliance, he could at least be controlled and perhaps even pressured into campaigning against the same independents he was quietly supporting. He also felt that UPKO would stay in the Sabah Alliance at all costs, for fear of having no share in power if UPKO were to go it alone, and that one of the costs to be borne would be the acceptance of a number of seats disproportionately lower than their actual appeal in the electorate. He advocated therefore that Kuala Lumpur be tough neither on Stephens nor UPKO for their federal transgressions. The strategy adopted was to encourage UPKO to remain in the Sabah Alliance, but at the same time to keep a close watch on them because of their past record of opportunistic ploys and reversed stances.

Syed Kechik continued to be suspicious of UPKO and on the lookout for signals indicating further subterfuge. One such signal emanated from the formulation of the Sabah Alliance manifesto, the platform on which the Sabah Alliance would stand during the campaign. Its drafting had been entrusted to Richard Yap, the UPKO state Minister of Health, who was appointed Chairman of the Sabah Alliance's manifesto sub-committee. Yap's submission, in anticipation of the Sabah Alliance Council meeting scheduled for March 1, included only a cursory description of the activities of the various ministries—a single paragraph was allocated to each, couched in the most casual of terms. Syed Kechik saw this as tantamount to sabotage and stepped in immediately to take over responsibility for its preparation.

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Syed Kechik also worked closely with Tun Mustapha in allocating the 32 elective seats among parties in the Sabah Alliance. The Legislative Assembly was then constituted as follows: of the 32 seats determined by the earlier indirect elections, USNO held 14, UPKO 11, and SCA seven; of the four nominated voting seats, the four parties in the Sabah Alliance—USNO, UPKO, SCA, and SIC—held one each. The numbers were important. Seventeen seats were needed to form the government and, even though the SCA had been aligning itself with USNO, nothing was ever permanent or certain in politics. Using as persuasive justification the growing support for USNO in the state, the tacit support for USNO in Kuala Lumpur, and the various egregious activities of UPKO in the preceding months, Syed Kechik recommended that Tun Mustapha make a claim for a majority of the seats—with one extra for good measure, just in case one contest were lost to an independent. The SCA was dependent on USNO support in a number of its constituencies and could doubtless be persuaded into accepting six seats. UPKO would get the remaining eight. It was a long shot, at best, but it was worth starting from an extreme position to let UPKO know that Tun

Mustapha meant business.

When the Sabah Alliance Council met on the evening of March 1, one week before nomination day, Yap's proposal for the manifesto was decried as propagandistic and rejected in favour of the one prepared by Syed Kechik. The rest of the meeting centred around the allocation of seats. Tun Mustapha made his proposal for an 18-8-6 split by USNO, UPKO, and the SCA respectively. Stephens countered with a proposal for a 13-13-6 split. They ran through the constituencies one by one and reached general agreement on the six SCA seats, eight of the UPKO seats, and nine of the USNO seats. But there was a deadlock over the remaining nine seats: UPKO wanted five of these; USNO wanted them all. The meeting adjourned for more than two hours to let the party leaders sort things out among themselves. During this interlude, Tun Mustapha telephoned Syed Kechik who was sitting out the meeting at Tun's house. His adviser recommended that he stand firm, feeling that Stephens ultimately would give in—if not at that meeting, then perhaps later. But when the meeting resumed, even the seats that had been agreed upon were called into question and UPKO suggested that it would be better for the two parties to enter into friendly contests in the various constituencies to let the voters decide. The meeting was still deadlocked at one in the morning, and it was agreed that the Council would meet again on the evening of March 3 after the respective leaders met their party supporters.

For the March 3 meeting, Syed Kechik once again advised Tun Mustapha to hold his ground. The request for 18 seats was, in his mind, not unreasonable, and it offered the advantages of being able to form a government without having to become overly beholden to the SCA. Besides, it was too early to begin making concessions. The idea of friendly contests was also to be discouraged, given the divisiveness this would instill in the Sabah Alliance. In the meeting, UPKO began to change its stance, first recommending a continuation of the status quo, whereby USNO would have 14 seats, UPKO 11, and the SCA seven, and then pulling back one step further, conceding one of the SCA seats to USNO while keeping their own number at 11.

Interestingly, this would have given UPKO and the SCA the magic number of 17 seats, and secret negotiations between the two parties may indeed have been under way. This meeting also ended in a deadlock, and yet another was scheduled for March 6, precariously close to nomination day, but unavoidably so, given the travel commitments of the various party leaders.

At this third meeting, Stephens reported that the UPKO Council, at a session earlier in the day, had unanimously rejected the proposal for eight seats and remained adamant that at least 11 seats be given them. Tun Mustapha then agreed to concede one of USNO's 18 requested seats to UPKO, bringing their total to nine. Stephens said he could not agree to this, but that he would refer the offer to another meeting of the UPKO Council the next morning. He agreed also that a reply would be sent to Tun Mustapha before four o'clock the next afternoon. Because this would be a mere 18 hours before the two-hour nomination period was to open, USNO and the SCA agreed after the meeting to arrange to nominate candidates in 23 constituencies, with 17 for USNO and six for the SCA, all under the Alliance symbol.

It was fast becoming apparent that Stephens, while proclaiming compromise and conciliation all along, was playing an end game. After he heard in early February that Tun Mustapha wanted to handle the allocation of seats himself, he proposed this at a meeting of the UPKO Central Executive Committee and arranged its rejection to make it appear that he was willing to compromise, but that his colleagues were not. At this same meeting, it was agreed that the party's Secretary-General, Peter Mojuntin once again, should issue letters authorizing their candidates to use the UPKO party symbol in the elections. The plan was already being set in motion. UPKO, expecting to be dissatified with any proposal put forward for the seat allocations, would negotiate until the last possible moment and by so doing keep their Sabah Alliance partners off their guard. Then, it would nominate candidates authorized to use the UPKO symbol and move to prevent USNO and SCA candidates from running under the Alliance symbol. Since use of the Alliance symbol required unanimous approval of the Sabah Alliance Council,

of which UPKO was a part, that approval could simply be withheld. UPKO was hoping to state a procedural coup. Critical to the nomination procedure was the requirement that candidates submit letters, signed by the secretary-general or president of the parties, authorizing them to use the party symbol. Without such a letter, a candidate could be disqualified. By holding off in the allocation negotiations, UPKO was hoping to create a situation in which many USNO and SCA candidates would be unable to submit their nomination papers properly. As many as a dozen USNO candidates might thus be disqualified, and power would fall into the laps of UPKO, almost by default.

On March 7, Syed Kechik was working at USNO headquarters directing the preparation of the nomination papers for all the USNO candidates. The reply from Stephens was anxiously awaited, but the four o'clock deadline came and went. It was only at seven o'clock that the letter from Stephens to Tun Mustapha was delivered to USNO headquarters. In this, Stephens claimed that he could not convene the UPKO Council because many of its members had returned to their constituencies. He had nevertheless been able to contact a number of them by telephone, and the consensus was that the nine-seat proposal was unacceptable. Consequently, friendly contests should be held. He repeated his desire to remain in the Sabah Alliance, but expressed his concern with the proposal that USNO and SCA candidates use the Alliance symbol in constituencies where UPKO was contesting, because this would make it appear that UPKO candidates were contesting against the Alliance and that UPKO was no longer a part of the Alliance. Finally, he reminded Tun Mustapha that the Alliance symbol could be used only with the unanimous agreement of the Sabah Alliance Council.

The general response at USNO headquarters was: so be it. But Syed Kechik was concerned with Stephens' mention in his letter of the use of party symbols. He realized that UPKO could seek, and probably secure, an injunction to prevent USNO and SCA candidates from using the Alliance symbol. Tun Mustapha and his lieutenants were initially unimpressed by the possible ramifications of this action, doubtless feeling secure in their standing on

Alliance ground. Then, Syed Kechik received word that just such an injunction was being sought with assistance from the state Attorney-General. Syed Kechik and USNO had been duped, largely because of their focussing on attempts to keep UPKO in the Sabah Alliance. They had suspected that UPKO was capable of treachery, but in this move they were being played out. UPKO had only to sit back and innocently watch the ensuing frenzy, certain that they would enjoy the best of both political worlds—contesting under their own symbol as a party in the Alliance, with all the advantages accruing thereto, and being unchallenged by USNO in many constituencies, with the accession to power that would follow.

While USNO leaders talked about expelling UPKO from the Sabah Alliance—an impossibility since there was no constitutional provision to expel a component party—Syed Kechik began drafting for Tun Mustapha's signature the letters of authorization to use the USNO symbol. Things had to happen quickly, but Tun Mustapha was not easily persuaded. He felt that having USNO candidates running under the USNO symbol, not that of the Alliance, would offend the Tunku and other national Alliance leaders in Kuala Lumpur, as well as weaken the posture of USNO during the campaign. But when Syed Kechik learned that SCA candidates already had their letters of authorization and relayed this new information, Tun Mustapha immediately acquiesced, seeing the prospect this raised for the balance of power. By this time, it was after midnight, and only 12 hours remained to get the necessary documents to the 17 USNO candidates originally selected and to the nine additional candidates being fielded at the last minute. Copies of the symbol itself had also to be scraped up and, insofar as this was not anticipated at all and as all posters and the like had been printed only with the Alliance symbol, this was no straight-forward task either.

The race was against time. Couriers were steadily being dispatched by Land Rovers to all the constituencies in the West Coast Residency, with many of them driving straight through the night. And at first light the next morning, planes, helicopters, and rail-cars were chartered to get the requisite documents to candidates in the more remote areas.

When nominations closed, 25 USNO candidates had managed to file successfully, but the twenty-sixth had to file as an independent in Tambunan because the letter of authority to use the party symbol arrived late—a fate which would have befallen many more had immediate action not been taken. All six SCA candidates filed their nomination papers without a hitch. Four of these ran under the Alliance symbol, but two had to run under the SCA symbol because UPKO fielded candidates in their constituencies. UPKO, instead of mustering 10 or 11 candidates, got 24 of its candidates nominated. And there were 26 independents, many tacitly supporting UPKO. The election campaign was on and, as Tun Mustapha was to say, there would be nothing friendly about the various contests.

Tun Mustapha had seen, in the chaos surrounding the nominations, that if Syed Kechik had not been around to advise him, USNO would have lost a substantial number of seats through procedural disqualifications and UPKO would have been able to walk into power with relative ease. Because of this, and the fact that most of the capable people in USNO were running for election in their own constituencies, Tun Mustapha asked Syed Kechik to direct the USNO campaign, giving him a free hand. Temporary headquarters were set up in Rooms 502 and 503 at the Hotel Capital in Jesselton, and for the next 50 days this was the nerve centre for anything related to the campaign. Maps went up on the walls. Voter lists went out to the branch offices throughout the state. Lists were compiled indicating the leanings of *orang tuas* (village headmen), native chiefs, and district chiefs, because of the influence of their authority. Ethnic breakdowns of the 32 constituencies were obtained. Rooms were reserved in the hotels and rest houses throughout the state. And a full communications network was established. But these were administrative matters, and a great deal more was involved.

The Sabah Alliance manifesto was the basic platform for the campaign and provided the basis for all speeches made by USNO and SCA candidates. The statements of allegiance to Malaysia had regularly to be made, and the planned revolution for progress, which would be undertaken

once USNO and SCA had the mandate to govern, had to be detailed. Because UPKO was technically still a part of the Sabah Alliance, its candidates were able to campaign on the same platform. All three parties wanted to ride in on the success of the incumbent bandwagon, but disassociate themselves from the failures of the government in the preceding years. As a result, the campaign focussed less on developmental issues and more on the parties and their personalities. The real choice to the electorate was therefore reduced to the one between Tun Mustapha and Donald Stephens.

Stephens, as the symbol of UPKO and Kadazan leadership, had to be discredited, a difficult task since he was not standing for election. He had announced during the pre-nomination negotiations that he would not stand in order to foster Alliance unity and to demonstrate UPKO's desire to cooperate with its Sabah Alliance partners. The more probable reason was to avoid jeopardizing his ambassadorial appointment by actions that might offend Kuala Lumpur. This left him with numerous advantages. Unbound by the requirements of having to campaign in a single constituency, he was able to move throughout the state and vest uncertain constituencies with his prestige. Separated from contesting, he was more elusive as a target for USNO and SCA attacks. If UPKO were to form the government, he could still come in as Chief Minister through a later by-election in a safe constituency. And in the minds of the public, he was still the embodiment of everything UPKO stood for.

Syed Kechik mounted a media campaign against Stephens, focussing on his posture with regard to the Chinese, the practices of his native timber cooperative, and his performance as Chief Minister in 1963 and 1964. Stephens' statements that could be interpreted as prejudicial to the interests of the Chinese community were dug out from press clippings going back to 1959. The affairs of the Nabahu Timber Cooperative Society were fully investigated to reveal the manner in which Stephens and other UPKO leaders had benefitted to the exclusion of other members of the co-operative. The lacklustre performance of his cabinet during its tenure was substantiated and linked to the close associations Stephens had with obscurantist expatriate officers. And

actions that could be slanted to indicate the absence of his resolve in the political arena — his dismissals as Chief Minister and as federal Minister for Sabah Affairs, his avowed departure from politics and subsequent return, his moves to break up the Sabah Alliance, his relegation of Chinese members of UPKO to associate status, and his desire to take up an ambassadorial appointment rather than stay in Sabah — were all put into a case-like chronology.

At the same time, Tun Mustapha was portrayed as a champion of the people's interests. Unlike Stephens, he was a candidate, and he still held the federal post of Minister for Sabah Affairs and Civil Defence. Syed Kechik, in studying the election law, discovered that because of a quirk regarding the uncertain status of a candidate, Tun Mustapha could stay on as federal minister until actually being elected to a state seat. This gave him dual status — as candidate and as federal minister — and it was often difficult to separate the two, an ambiguity which was played up to the fullest, much to the dismay of UPKO and the independents who were asserting that he should have resigned the federal post before nominations. Tun Mustapha could move by government helicopter from one area to another as federal minister and make on-the-spot grants for schools, rural health stations, bridges, mosques, and the like. Before the elections, Syed Kechik arranged for the federal government to allocate $3.6 million to a discretionary development fund for this purpose. UPKO again cried foul, but his dual status made it difficult for them to make a solid case.

All government machinery that could be tapped for assistance was drawn into the campaign, and since this could be regarded as a breach of the Election Ordinances, it had to be done carefully. Again, the public justification was Tun Mustapha's position as federal minister. The Federal Secretary's office became the logistical node for marshalling help from all departments having federal ties. The Federal Secretary and the State Development Officer travelled with Tun Mustapha on his tours of the state, authorizing the on-the-spot grants that were so instrumental to the campaign and creating the impression of the federal government's imprimatur on the candidacy of Tun Mustapha and his

entire party. But federally originating largesse was not the full extent of federal influence.

Officers in the Information Department were drawn into the campaign for Tun Mustapha and USNO. The Sabah Director of Information had been informed some months earlier that anything political coursing through its machinery was first to be cleared with Syed Kechik. By the time of the campaign, judicious editing gave way to open campaigning. Information units were screening the film on Tun Mustapha's career, and in the mock voting sessions staged to initiate voters into the nuances of electoral procedures, the role-players were instructed to cast their straw votes beside the Mount Kinabalu symbol, the USNO symbol. Information officers also kept tabs on the leanings of voters, the efforts of workers in all parties, and the tactics being employed — with everything reported back to Syed Kechik at campaign headquarters. This was more in self-defence than in willing contravention of the election laws. UPKO enjoyed the support of the majority of the state's civil servants, mostly expatriates and Kadazans, and this had to be diffused. UPKO was also being actively campaigned for by teachers, agricultural workers, and Christian missionaries — all of whom wielded a fair degree of influence, and all of which had somehow to be countered.

Political intelligence had also to be garnered from other sources. USNO party workers, given their inexperience, could not be trusted in their assessments of support, particularly insofar as they were known to be submitting bogus reports that indicated pictures more positive than were in fact the case. Before the elections, Syed Kechik discussed with Abdul Rahman Hashim, then the Director of the Malaysian Special Branch and later the Inspector-General of Police, the advisability of establishing an operations unit for political intelligence in the Special Branch in Sabah. The original intention was to monitor expressions of anti-Malaysian sentiment and the entry into Sabah of dissident voices from opposition parties in the Peninsula. But with the campaign in full swing and with numerous expatriates in the police doubtless channelling information to UPKO, this unit had to be charged with following all political activities, and more

than 40 officers were brought in from Kuala Lumpur during the election period. Their situation reports were regularly transmitted to Syed Kechik and, given their accuracy, these became important in determining the deployment of party resources. Help was similarly enlisted from the General Duties wing of the police, which also filed situation reports.

As the campaign wore on, other professional help was brought in from the Peninsula. Tun Mustapha felt insecure in the knowledge that UPKO had two lawyers running, given the near-mystical capabilities attributed to them, so Syed Kechik arranged for two lawyers with political experience to come in from Kuala Lumpur. One was stationed in Sandakan to cover the eastern part of the state, the other in Jesselton to cover the western part. Both travelled to the constituencies to explain the means of circumventing the Election Ordinances, to initiate complaints that could be used in post-polling election petitions, and to attend to the many legal questions which arose. Syed Kechik also arranged for a number of seasoned UMNO campaigners to come in and work for USNO in crucial constituencies. Tun Mustapha was worried that because he had to spend so much time campaigning around the state, he might not secure the resounding victory he wanted in his own constituency. Initially, two UMNO veterans were brought in to work for him, and when 10 more were requested later in the campaign, this had to be indulged. Tun Mustapha's morale was flagging. He reportedly had already spent more than $1 million of his own money to lubricate party machinery in the 25 constituencies in which USNO was running, and it looked as if he would have to spend at least that much more. As a result, he needed constant reassurances of Kuala Lumpur's support for his candidacy. Although this was tacit, he wanted something more tangible. Experienced campaign workers could provide this, and Syed Kechik had to arrange for their being assigned even though this would certainly raise yet another UPKO outcry, albeit veiled in the knowledge that they were getting similar help from outside the state. These were not the only irregularities, however, and both sides used the sins of the other to justify their own.

Money also played an important role, a fact which

would colour elections in the state for many years. Support had to be enlisted, and votes had to be assured. Given the lack of sophistication of the electorate and the absence of clear-cut issues, this more often than not was accomplished by treating voters to meals, canned goods, and cash — all for the promise of a vote on polling day. UPKO was known to be travelling around with packages of fresh currency notes. Their payments for promised votes were often coupled with intimidating threats that retaliatory steps would somehow be taken if the recipient did not comply. This gave UPKO an early advantage in the campaign. When it became apparent that voters were interested only in filling their pockets and were unpersuaded by political reasoning, Syed Kechik was left with no choice but to do the same and to regard the payments as reimbursements for expenses incurred. The timing of this was important. He knew that UPKO's financial resources were limited, even though reports were circulating that they had got $1 million from some Sandakan timber tycoons to defeat Tun Mustapha and Datuk Khoo Siak Chiew. He therefore held off until late in the campaign. Then, with polling days approaching, USNO campaigners were sent in with their bags of cash and food to win back support in USNO's favour. Had this been done immediately, UPKO could have come back in to retrieve their lost support through fresh payments and intimidation. But because this was done late in the campaign, UPKO was left with neither the time nor the resources to reply.

Defections were also encouraged throughout the campaign, to the presumed fiscal delight of those whose support was being sought, and crossovers were highly publicized. The electoral mentality was very much one of follow-the-leader: *orang tuas* could swing a village, native chiefs a district, and opposing candidates an entire constituency. The enticement for each was commensurate with the geographical area and numbers over which they wielded their influence, and those possessing such influence in many cases simply auctioned themselves off to the highest bidder. The buy-offs were cleansed a bit by enlisting the recipients as party workers and considering the payments as expense money. But the enticement often went beyond the purely

monetary, branching into threats of dismissal for recalcitrance and promises of future rewards for obedience. In this, USNO had the advantage of seeming to be the party in power, but UPKO was able to assert that it would become the party in power. The arguments tended to cancel each other out and could be resolved only by the party willing to pay the most to ensure support. Fidelity was not a dominant trait, however, even among candidates. Both UPKO and USNO worked on the independents, attempting to get them to declare in their respective favours. But in the search for support among independents, UPKO held the edge, given the pre-nomination groundwork done in enlisting them. Syed Kechik therefore concentrated on partisan candidates, trying to split former Pasok Momogun regulars off from UPKO by pointing to the fact that UPKO was not representing all Dusuns as purported, but only the Kadazan Dusuns from Penampang and Papar, a distinction of considerable persuasive power. This split, however, was contingent on a withdrawl of UPKO from the Alliance.

When UPKO announced in late March that they would meet to discuss withdrawal from the Sabah Alliance, Syed Kechik recognized this as a tactical error that would benefit USNO whichever course they followed. If they withdrew, he could attack them for dividing *bumiputra* unity in the state and encourage the defection of Pasok Momogun supporters. More important, national Alliance leaders could be brought in from Kuala Lumpur to campaign actively for USNO and the SCA. If UPKO remained, its leadership could be attacked for indecisiveness. The fact that they stayed in pointed to their fundamental reliance on the Alliance. Were they to break away and lose, their role in government for the coming five years would be negligible, and Stephens would probably lose his ambassadorial appointment. All this was played up to the fullest—demonstrating UPKO's willy-nilly approach to matters political and their insecurity in going it alone—and facilitated a number of additional defections by those chary of being at odds with the national Alliance and the state government. It also impressed the Chinese, who saw that UPKO was thinking of making a clean break from the SCA.

Even so, the SCA candidates had to be cajoled and supported throughout, to ensure their winning and their continuing alignment with USNO. UPKO-supported independents were exploiting the concessions made by the SCA during the first years of Malaysia and in the recent negotiations for seat allocations in the new Assembly. The SCA candidates were labelled as turncoats who sold out Chinese interests for their own gain. This was not helped at all by the disunity in the SCA, where dialect-group affiliations had divided party loyalty. In Sandakan, for example, the campaign director for the incumbent Chief Minister, Peter Lo, was devoting most of his efforts to the campaign of the independent running against Khoo in the adjoining constituency. Such was the degree of internecine irregularities in the SCA machine. To resolve these, several MCA leaders from Kuala Lumpur had to be brought in quietly to patch up differences in the SCA and ensure their support for USNO. The SCA was in a pivotal position, and there loomed the possibility of their linking up with UPKO to shut USNO out of the next government.

In a sense, the Chinese were playing two games—with their SCA candidates supporting USNO and with their independent candidates supporting UPKO, if only tacitly. Thus, whichever way the elections went, the Chinese would have vested attachments to the new power structure. Syed Kechik felt certain that the SCA candidates would outperform the independents and that they would back USNO. But he wanted to avoid a situation where the SCA would hold the balance of power between the *bumiputra* parties. He brought two things to the fore: the challenge to SCA candidates from UPKO-backed independents and from UPKO itself; and the reliance of SCA candidates in three of their six constituencies on the *bumiputra* vote which only USNO could deliver to them. As a result, it was possible, with help from Kuala Lumpur, to pressure the SCA into an approach of greater sincerity, whereby they would stand by USNO whatever the outcome.

In all of this, newspapers assumed an alarming, if almost comic, importance. Stephens' paper, the *Sabah Times*, was blatantly pro-UPKO, and Tun Mustapha's paper, the

Kinabalu Times, blatantly pro-USNO. The bulk of the Chinese language papers were clearly supporting either UPKO or the independents. And even the presumably neutral papers were non-partisan not because of any idealistic considerations, but because they were holding out for payments from the highest bidder. The papers became vehicles for carrying the stances, allegations, and counter-allegations of their favoured candidates, frequently over-stepping their bounds. Rather than carry news, they became the prime media for attacking the opposing parties and personalities, and those partial to USNO were the outlets for all the releases and statements made by Syed Kechik on behalf of USNO candidates.

Polling began on April 8 and was staggered over 19 days at 628 polling stations because of the difficulties of communications in remote areas. By then, election fever had reached a peak that would not abate until the final results were announced. Indeed, it snowballed, and as polling was completed in one constituency, party workers and leaders moved on to the next arena. And all the while, the situation became more volatile: *orang tuas* were confiscating identity cards, some expatriate district officers were tearing down USNO information booths, and electioneering was increasingly couched in ethnic and religious terms. Tun Razak, concerned about security, cabled Syed Kechik early in April to inform him that he was sending in a company of troops from the Royal Malay Regiment as a precaution against riots breaking out. The situation was becoming serious, particularly with over-zealous UPKO and USNO supporters clashing whenever they met in large numbers. But Syed Kechik was concerned that this influx of troops might be used against USNO. UPKO could assert that the federal government was intimidating the electorate into supporting the federally backed USNO, and with states' rights sentiments running high, they could gain a lot of political capital from such arguments. Added to this was the fact that a number of countries—Indonesia, Ceylon, Japan, Thailand, and India—had sent observers to Sabah, a few days before polling began, to witness the polling process. They, too, might interpret such a move as intimidation, and this would undermine the impact of the

desired referendum in support of Malaysia. He cabled back to Tun Razak that the troop transfer be deferred until at least April 20, at which time the forces would definitely be required as a deterrent to violence, but any criticisms of their being stationed in Sabah would have little impact because of the completion of polling in many constituencies.

Syed Kechik was not Kuala Lumpur's only line into Sabah, but he was certainly the main one and had the most comprehensive exposure to the political situation there. Plugged into the party machine, he was fully versed in political machinations right down to *kampung* level. He knew the weaknesses and strengths of all candidates and was aware of the political dynamics in each constituency. Plugged into federal machinery, he was able to orchestrate the men and resources of the Information Department, the Federal Secretary's office, the Special Branch, and the police. Close to Tun Mustapha, he was able to keep a continual assessment of his changing sentiments. He did not know everything that was going on in these various arenas of activity, but he did know more of all the arenas than any other one person. This made him invaluable to both USNO and Kuala Lumpur, and invulnerable, since so many were reliant upon him. But he was also dangerous, representing a threat simply because he was the locus for spot decisions, the deployment of party resources, the development of all strategies and tactics used, and the approval or rejection of requests from all quarters. In a position of such authority, he was viewed with suspicion —by Kuala Lumpur for being so close to Tun Mustapha and the pulse of Sabah politics, by Tun Mustapha for being close to Kuala Lumpur, and by USNO party regulars for being close to both Kuala Lumpur and Tun Mustapha. Given his indispensability, however, suspicion from all sides had to give way, and USNO leaders had little choice but to accept his authority in the heat of the electoral battle. Winning the election was more important then worrying about the growing influence of this lawyer from Kedah who, in any case, would be leaving the scene after the elections were over.

The Special Branch reports, corroborated by those from USNO party workers, the police, and the Information units, indicated that in six urban constituencies, the SCA would

certainly win five, but probably lose that of Peter Lo. In the 26 rural constituencies, nine were firm for USNO, eight were firm for UPKO, and the remaining nine could go either way, thus mirroring the accuracy of the two parties in their earlier claims for seats. Syed Kechik figured that, at worst, USNO would get five of the uncertain seats, and at best, seven or eight. Getting a straight USNO majority seemed unlikely, however, and he instructed all USNO and SCA candidates to come to Jesselton on the last day of polling. When final results were announced on April 27, the SCA had won five seats, losing Peter Lo's to an independent, UPKO 12, and USNO 14. This was too close for comfortable manoeuvring, particularly with the UPKO and SCA seats totalling 17.

4

Formation of the Mustapha Government (1967)

As the USNO and SCA state assemblymen began arriving in Jesselton, Syed Kechik moved swiftly to get their signatures to a petition requesting the Head of State, Tun Pengiran Haji Ahmad Raffae, to appoint Tun Mustapha as the new Chief Minister. The signatures of the 14 USNO assemblymen were of course automatic; those of the SCA members, essential for constituting a majority, were reasonably, but not totally, certain. Although the SCA had been aligned with USNO for some time, there remained the mystery surrounding their being fully prepared to run under their own symbol during the pre-nomination confusion. Having seen in Sarawak the independence of parties and their politicians, Syed Kechik wanted assurances of support from SCA members before they discussed matters among themselves, perhaps to enter into negotiations with UPKO and throw their balance to the party willing to make the greatest concessions to them. As things turned out, the suspicions were unfounded. Once it was confirmed that the SCA would receive the cabinet portfolios agreed upon earlier and at least one of the appointed seats, they added their signatures to the petition.

Surprisingly, Tun Mustapha was reluctant to become Chief Minister. It was not that the campaign had exhausted him, which it had: his relatively sedate ceremonial life as Head of State and later as Minister for Sabah Affairs and Civil Defence had been markedly altered as he was bounced

through three months of intensive campaigning. Neither was it that he had considered the tenor of the campaign as beneath his dignity, which he also had: the aura in which he enveloped himself in his earlier posts had to be shed in the heat of lashing verbal assaults that were the dominant feature of the campaign. These things he could deal with, for he was a consummate politician with a great deal of guile and energy. Weighing on his mind, however, was his simple disinclination to subject himself to the inevitable and persistent encounters with UPKO leaders, expatriate officers, and partisan lawyers who would be attempting to bring him down. He had opened himself to the rigours and indignities of the campaign in the expectation that all would end with the conclusion of polling. But given the performance of UPKO in the elections, they would remain a force to be reckoned with. The fray would persist indefinitely, so it seemed, and he would be at its centre.

Another consideration for Tun Mustapha was that Syed Kechik, who had been instrumental in ousting Stephens and Mojuntin, in his appointment as federal minister, and in the direction of the USNO campaign, would be returning to Kuala Lumpur. Tun Mustapha was aware that UPKO had many more well-educated people than USNO and would be better able to articulate their arguments on the floor of the Assembly. He was aware of the influence of many high-ranking expatriates who, in collaboration with UPKO, would make ruling tenuous and cabinet meetings embarrassingly uncomfortable. And he was aware of his personal limitations —with little education, he felt ill-equipped to administer the details of government in the face of such opposition. He needed help in the immediate battle with UPKO, and he knew this would not be forthcoming from those in his own party or in the SCA. Consequently, he wanted Syed Kechik to stay in Sabah to help him eliminate UPKO and the expatriates as threats to his leadership and power.

Although Syed Kechik had been assigned as political secretary to Tun Mustapha in January 1967, his position reverted to that of Political Secretary to the Minister of Information and Broadcasting once Tun Mustapha resigned his federal post on the last day of polling for the state Assembly. No longer having legitimate links with Tun Mustapha or

Sabah, Syed Kechik could be recalled to Kuala Lumpur. He knew that Senu would agree to a request for an extension of his secondment to Tun Mustapha, if only on the basis of the federal government's desire to demonstrate their support for the new Chief Minister. But Tun Mustapha wanted him to stay permanently. A decision had to be made. He felt he had nearly completed his mission in Sabah and was aware of being 18 months behind schedule in starting up his private law practice. In addition, Jesselton was at the edge of the federation, a very long way from the centre of action in Kuala Lumpur, and on that edge he could be lost. But if he returned to Kuala Lumpur, it would be for the single objective of establishing his law practice. In Jesselton, he might be able to do the same, and at the same time influence the course of events in the young state.

It boiled down to the relationship he would have with Tun Mustapha. His new role would be less ambivalent—no longer enjoying the federal link, he would in many ways be directly responsible to Tun Mustapha. And in this role, their relationship could easily change. He had witnessed the manner in which Tun Mustapha fostered the personal feuds among those close to him. He knew that Tun Mustapha would use him to counter recalcitrance in USNO and the ascendancy of any who might launch themselves into a bid for leadership in the party or state. He knew also that Tun Mustapha liked having him around because his reticence and aversion to publicity made it possible for Tun Mustapha himself to take credit for many of the things Syed Kechik had engineered. His trump card, however, was that he could leave the state at any time, so he agreed to stay in Sabah on a semi-permanent basis. The petition of the USNO and SCA members of the Assembly was transmitted to the Head of State.

UPKO was clamouring for representation in the new cabinet. They felt they had a right to this: they were still a part of the Sabah Alliance and had secured almost as many seats as USNO in the elections. They also had a need: if they were left out of the cabinet, their influence would diminish considerably. Publicly, they made pronouncements of their electoral success and consequent right to inclusion in the new

cabinet, coupling these with an aggressive stance which they hoped would induce Tun Mustapha to accede in the interest of bringing a halt to the mud-slinging. Privately, they made conciliatory overtures, feeling that Tun Mustapha would do anything to restore political harmony in the state. They staked their claim to three cabinet portfolios, the same number they had held in the previous government, to two of the nominated seats in the Assembly, and to the federal ministership vacated by Tun Mustapha. Their confidence was bolstered by the knowledge that Kuala Lumpur—anxious to avoid accusations of Malay neo-colonializing which could affect their diplomatic posture, and disinclined to have a *bumiputra* party in the opposition in a state assembly and in Parliament—was also pushing for their being included.

Syed Kechik felt that UPKO should be kept out, at least for the time being. If UPKO were in the new government, even on a basis less favourable than they proposed, they would share in the power and popularity of the incumbent government and be fully attuned to differences within USNO and between USNO and the SCA. This would enable them to undermine the USNO-SCA partnership and the solidarity in USNO itself. Moreover, including UPKO ran counter to the real objective of dividing them, which could only be done if they were outside the government. True, keeping them out would sacrifice certain advantages. Criticism of the government would certainly be more vocal and public, but even in the previous government, strong opposition was voiced by many UPKO assemblymen over the policies and moves of Chief Minister Peter Lo. In addition, the image of Malaysia in the outside world would be a bit tarnished, opening the way to criticisms of Muslim domination. But the over-riding consideration was that with UPKO in the government it would be virtually impossible to encourage defections from UPKO to the USNO-SCA partnership and to secure the two-thirds majority in the Assembly necessary for amending the state constitution.

Syed Kechik was looking beyond the seeming imperatives for *bumiputra* unity in the state, knowing this would be artificial and to the ultimate disadvantagement of USNO. He therefore recommended that Tun Mustapha appoint only

four ministers, this being the minimum number provided for in the state constitution, and keep the other four portfolios open. The undercurrent of tension between USNO and UPKO was still flowing strongly, and an immediate reconciliation with UPKO would not have been well received by USNO supporters. That, at least, was the rationale. A reconciliation could doubtless have been forced and the grass roots pressured into accepting it, but time was needed to test UPKO's faith. Under the guise of having to consult with USNO party workers and officials at all levels, the question of UPKO's inclusion in the cabinet could be justifiably deferred. At the same time, UPKO's intentions to cooperate could be tested by calling upon them not to resort to provocations.

A meeting of the Sabah Alliance Council was called on May 5 to decide the composition of the new government. Stephens already had suspicions that Tun Mustapha was planning to exclude UPKO from the cabinet. Having tried unsuccessfully to reach Tun Mustapha by telephone, he sent a letter requesting a meeting between just the two of them in order to reach some agreement on the new government. He wanted to keep the fray out of the Council where tempers were certain to flare and where UPKO had little legitimate leverage. No reply was forthcoming, however, and the only response was a notification sent to UPKO headquarters informing them that the meeting was postponed to May 10. At this meeting, held at Tun Mustapha's house, the designated Chief Minister informed the Council that because of continuing differences with UPKO, their inclusion in the cabinet would have to be decided at a later meeting. In the meantime, given the need to form a government, the cabinet would have five members: Tun Mustapha plus the two USNO and two SCA ministers from the previous cabinet. This was portrayed as a temporary measure, pending further discussions to reach a solution and provided UPKO did nothing to undermine the Sabah Alliance. The move was astute. UPKO, instead of being shut out through the appointment of USNO-SCA assemblymen to all the cabinet posts, was simply being kept in the wings. The door would opened if their behaviour so warranted. No discussion was entertained, and the meeting

was hastily adjourned.

The previous day, Syed Kechik cabled Tun Razak to advise him that Tun Mustapha and four other ministers were to be sworn in on the morning of May 11. He also requested that two companies of the Royal Malay Regiment be stationed in Sabah until the air of tension cleared. The tension, this time, was not illusory. Stephens had publicly stated two days before, having received definite word of the demi-cabinet, that UPKO and the Kadazans could never cooperate with USNO and the Sabah Muslims if that cooperation were at the expense of their identity and their rights to equal treatment in their own land. He made the veiled threat that moves to exclude UPKO from the cabinet could result in racial violence. The bitterness between the Christians and Muslims, or at least between their leaders, had not subsided in the least.

UPKO boycotted the swearing in of the five ministers at the Istana (the residence of the Head of State). They felt their presence would be construed as condoning their exclusion from the cabinet, and they had earlier urged that the ceremony be postponed until proper discussions could be held in the Sabah Alliance Council. They called for a meeting of the Council on May 13 at Sabah Alliance headquarters, but when they turned up, they found that the offices were locked and nobody was to be found. Calling a meeting of the UPKO Council the following night, they voted to go into the opposition and announced this on May 15. Their opposition to the Mustapha government was to have two main thrusts: rhetorical assaults in the media and the opposition benches of the Legislative Assembly and Parliament; and legal assaults in the courts.

UPKO leaders attacked USNO and the SCA for surrendering state rights to the federal government. Simultaneously, they accused the federal government of abrogating the Malaysia Agreement and interfering with an iron hand in the East Malaysian states. The arguments were restated at every opportunity in the pro-UPKO newspapers and the chambers of the Legislative Assembly and Parliament. The fervency of their anti-Malaysia stance was demonstrated in an incident outside Parliament in Kuala Lumpur. At

the session on June 15, Ganie Gilong reopened the question of not only the implementation of the Twenty Points, but the principles underlying them, thus breaching a tacit agreement between the federal and Sabah governments. Tan Sri Ghazali Shafie, the Permanent Secretary for Foreign Affairs, approached the UPKO member after the session to suggest that he focus instead on the implementation, a focus which would be far more constructive. But as Ganie left by taxi with some of his Sabah colleagues, Herman Luping, the UPKO Assemblyman for Tandek, poked his head out the window and muttered that the people of Sabah were not interested in staying in Malaysia.

UPKO's methods were going too far, particularly at a time when Kuala Lumpur was committed to portraying the opposite picture. Syed Kechik thus set about to build up a case to counter their rhetoric. The first thing he did was to draft a resolution for introduction in the Legislative Assembly affirming the faith of the people of Sabah in Malaysia. The Foreign Ministry wanted this passed to satisfy the Indonesian government, which felt that such a resolution would be legally binding and enable them to proceed more rapidly with their re-establishment of diplomatic relations with Malaysia. A similar resolution was drafted to reject the Philippines' claim. Both were passed, but without the support of the UPKO members, who left the chambers before the vote was taken. The second thing was to document UPKO's allegations regarding the Twenty Points and develop evidence to indicate their baselessness. UPKO was collaborating with SNAP in Sarawak and presumably with the opposition parties in the Peninsula. In late June, they published a series of articles in the *Sabah Times* analyzing the Twenty Points and alleging numerous breaches of those points dealing with immigration, religion, language, and the Sabahanization of the civil service. In the main, the breaches sited were exceptional and, moreover, slanted to seem in contravention of the original agreement when, in fact, they were not. But in some instances, either the state or federal government had unwittingly acted or not acted, with the result that contravention was obvious. For all of these, the sensibilities of the public had to be assuaged with carefully considered replies. Newspaper polemics were

creating an undesirable degree of anxiety that had to be replaced with confidence.

To undermine further the level of public confidence in the Mustapha government and the confidence of the government in itself, a number of defeated UPKO and independent candidates initiated election petitions against successful USNO and SCA candidates. According to the law, these had to be filed within 21 days of the gazetting of the election results on May 10 and be gazetted within 10 days of filing. To catch USNO and the SCA off their guard, and at the same time avoid having counter-suits filed, UPKO did this at the last possible moment. Three petitions charging a breach of the election regulations concerning corrupt practices were filed on May 30 and 31 against Tun Mustapha, Khoo, and Salleh Sulong. Some weeks later, a fourth petition was filed charging Tun Mustapha with a breach of the regulations concerning election expenses—this was related to the use of helicopters during the campaign and to payments made to voters. The suits were to provide material for further mud-slinging, particularly since the hearings would be public and the proceedings could be printed verbatim in the UPKO partisan newspapers. Of greater consequence, if all the petitions were successful, the election of three USNO-SCA candidates would be overturned in favour of the UPKO and independent candidates. This would enable them to call for a vote of confidence and, holding 16 seats to the 16 that would be left to USNO-SCA, to manoeuvre to form a new government without Tun Mustapha.

Syed Kechik got copies of the petitions and studied them in conjunction with the Election Ordinances. Two questions emerged: first, whether the first three petitions had been filed within the stipulated 21 days; second, whether these were gazetted within the stipulated 10 additional days. Some legerdemain in the government printing office, run by Salleh Sulong's father, resulted in these being gazetted only on June 12, three days after the deadline, but the clear lack of subtlety in the delays opened these to suspicion. More solid ground was required, and Eusoffe Abdoolcader, the experienced advocate and solicitor who years later would become a High Court judge, was brought in from Penang as senior

counsel. He found irregularities in the form adopted for the petitions by David Marshall, the Singapore lawyer acting as counsel for the petitioners. Marshall adopted a *pro forma* based on the Indian Code, using a precedent that was not wanted by the court. As a result, the security posted for the petitions was inadequate: in each, a series of charges had been incorporated under a single, all-embracing charge to determine the security. This was inappropriate to the precedents established in the High Court of Borneo and, although an admitted technicality, enabled a decision to throw out these three petitions.

There remained the fourth petition successfully filed by Richard Yap against Tun Mustapha under a different set of requirements. According to the Election Ordinances, a candidate cannot spend in excess of $7,500 on his own candidacy. Yap's petition asserted that the fuel charges alone for Tun Mustapha's helicopter tours were far in excess of this limit, and added to this were payments allegedly made by Tun Mustapha to buy votes in his Bengkokka-Banggi constituency. If upheld, the turning over of his election and Chief Ministership would deal a severe, if not fatal, blow to his political career and party. Again, Eusoffe Abdoolcader was brought in. Given the requirement to secure depositions from UMNO workers who came from the Peninsula to assist in the campaign and the procedural delays that counsel was able to invoke to continue the hearing to a later date, the case dragged on for some months. This gave UPKO an opportunity to play up the charges and circumstances forming the basis of the petition in their press, but it also gave Syed Kechik time to gather additional evidence. But even with this in hand, there remained the question of the money spent personally by Tun Mustapha on his own campaign. Yap and UPKO had done their homework to put together a strong case, and although counter-evidence of equal strength was being compiled and documented, there was no certainty the case would be decided in Tun Mustapha's favour.

While this political imbroglio was ensuing in the media and the courts, Syed Kechik began working to devise a programme of social and economic development that would give some substance to the self-proclaimed 'action government'

of Tun Mustapha. The Chief Minister had taken a lengthy holiday abroad, the cabinet had not met, and state ministers were spending a lot of time in Kuala Lumpur to acquaint themselves with the nuances of their ministries vis-a-vis the federal government—all of which were necessary. Tun Mustapha needed a rest, and he wanted to remove himself for a while from the embattled scene. The other state ministers were hesitant to meet in cabinet because of the *ex officio* presence of the Attorney-General, the State Secretary, and the Permanent Secretary to the Chief Minister, all of whom were pro-UPKO. In addition, the state ministers needed federal coaching to stand on firmer ground in the direction of their ministries and beat down the ploys of expatriate officers. But all these ran against Syed Kechik's strategy of focussing on development to distract the populace from matters political. Unlike the situation in November 1965, there was no vacuum to be filled. This time, the opposition was entrenched, and they would have to be pushed from the public eye. Moreover, it was no longer a caretaker government, but an USNO-SCA government, and the public had to be persuaded of their capability to govern.

On June 15, Syed Kechik was appointed as the first Director of the Sabah Foundation. Once the appointment of a West Malaysian was smoothed over as being temporary and necessary, he set about to get the Foundation operating. More than 1,000 scholarships had been awarded just before the elections to gain maximum advantage from such a pronouncement, and attention was now being given to a new programme to award scholarships for secondary study in the Peninsula. He also began to explore alternative sources of income for the Foundation, seeing that the limited funding, based only on a launching grant of $1 million from the Assembly, would restrict its future activities. But whereas education was important, the impact of the programmes of this young organization could serve only as a small drop in a very large public relations bucket. A more concerted programme of development had to be initiated by the government itself.

Together with Rozhan Kuntom, the State Development Officer, and Dzulkifli Abdul Hamid, the young District

Officer from Tuaran who had been installed as Personal Assistant to the Chief Minister to serve as a buffer between Tun Mustapha and his Permanent Secretary, Syed Kechik generated a series of position papers that were to serve as the basis for the action programme of the government. These covered a broad range of proposals having statewide appeal. Television would be introduced in the state as quickly as possible to disseminate information and keep the public abreast of the activities of government. A Padi Cultivation Board would be set up as an autonomous body under the control of the state government with the objectives of making Sabah self-sufficient in rice and increasing the income of padi farmers, most of whom were Kadazans. The entire system of rural administration would be reviewed to improve its efficiency and to enable greater participation of the grass roots in decisions which affected them. A Community Development Department would be established in the Chief Minister's office to coordinate the activities of government in community projects and training. A committee would be formed to investigate the establishment of a Housing Commission which would provide low-cost housing to dwellers in rural and urban areas. A new policy for the alienation of timber land would be investigated and developed. A Sabah Land Development Board would be created to convert timber land to plantation crops like oil palm and rubber, much in the manner of the operation of the Federal Land Development Authority (FELDA) in the Peninsula. Finally, the name of the state capital would be changed from Jesselton to Kota Kinabalu as a more accurate reflection of the times.

Syed Kechik proposed also that the State Economic Development Corporation be restructured, so that it would be under the direct control of the Chief Minister and not as autonomous as originally proposed, and that a large-scale programme be initiated to improve the education facilities in the state at all levels, including those for adults. He was also behind a number of less spectacular moves: organizing classes in the national language for civil servants and administrative officers; pulling the approval of work passes and permanent-stay certificates to the purview of the Chief Minister; streamlining and upgrading the machinery of the

Information Department to facilitate dissemination of reports on government activities to the public; initiating a programme for the training of administrative cadets to accelerate the Sabahanization of the government service and revising the qualifications for entry; and laying the groundwork for the establishment of a university college in the state.

The implementation of new programmes was no simple matter. Being new, these ran against the bureaucracy, and all bureaucratic detail had to be fully considered to avoid having the programmes undermined by the inertia endemic to the bureaucratic structure. In Sabah, this inertia was more than circumstantial; it was also conscious. With the bureaucracy laden with expatriates, obstruction against the government in power was the order of the day. But expatriates could not simply be expelled. There was no one to replace them. For those in key positions, there were not even the means to displace them had Sabahans been available. To change the pattern of obstructionism, Syed Kechik focussed on two key and highly visible posts: the state Attorney-General and the Permanent Secretary to the Chief Minister —the former held by an expatriate, the latter by an Indo-Kadazan—both of whom were extremely influential in the cabinet and thought to be working closely with Stephens and UPKO to discredit the ruling government. Their positions were secured by the constitution. They could be displaced only by retirement or dismissal by the Public Services Commission, neither of which seemed imminent, or by amending the state constitution to give the Chief Minister the power to dismiss them. For such a constitutional amendment, a two-thirds majority was needed in the Legislative Assembly. And for this majority, the USNO-SCA coalition was short of one seat. Of the 36 voting seats in the Assembly, USNO held 14 and the SCA held five; four more could be nominated, but this still totalled only 23. A crossover was required from UPKO.

It was with this in mind that Syed Kechik recommended the formation of the demi-cabinet. By keeping the other cabinet posts open, UPKO could be pressured into submission or, failing this, one UPKO assemblyman could be enticed to defect to USNO by the prospects of a ministership. With

UPKO's having gone into the opposition, Syed Kechik felt that one of them could be encouraged to cross over almost immediately, given the disaffection of the former Pasok Momogun leaders for the Kadazan influence in UPKO. But in the days following the elections, Stephens managed to tighten his ranks and persuade all UPKO assemblymen of the dangers of a straight USNO majority and of a two-thirds majority of the USNO-SCA coalition. And for six months, he was able to hold the 13 opposition assemblymen on his side. During these months, Syed Kechik, together with other USNO leaders, met discreetly with opposition assemblymen and dangled ministerships before them—at *kampung* houses late in the night, in hotel rooms hired for the purpose, and in car rides through the dark streets of Jesselton. In this cloak-and-dagger atmosphere, some were clearly wavering, but in each case they asked for time. Word of these meetings somehow always managed to leak back to Stephens, and Stephens always managed to convince the potential defectors of the imperatives of their remaining united in the opposition.

Much of the early strength in Stephens' persuasion resided in the election petitions filed against USNO and SCA candidates: if all the petitions were successful, UPKO would form the government. The UPKO assemblymen were therefore reluctant to defect to what might become the minority side. But as the petitions were thrown out one by one, Stephens' persuasion was weakened by the prospect of UPKO's not participating in the power and popularity of government. Moreover, the anti-federal posture was a bit too radical for some UPKO assemblymen, and they were having increasing difficulty in rationalizing their stances and roles to their constituents. For them, to join up with the ruling government could be construed as a patriotic gesture in the interests of the nation. The real motivation for defection, however, was the accorded status of becoming a minister, the accompanying benefits of a line of credit with local banks, and the possibility of a timber concession. These were to be decisive. Neither Sabah politicians nor their public were noted for fidelity in the political arena, where personalities were more important than issues. And in the mind of a poorly-educated and essentially amateur politician, crossing

over to USNO was not perceived as that treasonous a political act.

On November 2, Payar Juman, the UPKO member for Kiulu, resigned from UPKO to join USNO, accusing UPKO of creating political tension in the state and taking the party into the opposition without first having considered the consequences of this for the rank and file. The dike of solidarity was breached, and other UPKO assemblymen made plans to jump on the bandwagon. From USNO's point of view, the support of these others was superfluous in the Legislative Assembly, but imperative in the minds of the public—if a number of UPKO members defected, it would seem less like the idiosyncratic act of a single opportunistic politician. Tingkalor Lampag, the UPKO member for Tenom, expressed his desire to defect, but was intercepted by Mojuntin and Luping and convinced to remain with UPKO. Then, Wong Fook Siang, the UPKO member for Kuala Penyu, endorsed Payar Juman's decision and announced that he was following suit. Of equal importance to the first crossover was the withdrawal by Richard Yap of his election petition against Tun Mustapha in late November. The circumstances surrounding this were unclear and the subject of some obvious speculation, but the implication was single: UPKO loyalty was crumbling.

With this two-thirds majority in hand, Syed Kechik drafted a number of new bills and amendments to the state constitution. The foremost of these was the amendment to enable the dismissal of the state Attorney-General. As a matter of procedure, these drafts had to be submitted to the Attorney-General's offices for a review of their language and form. On receiving the draft, the Attorney-General resigned and left the state. Shortly thereafter, John Dusing resigned as Permanent Secretary to the Chief Minister. A series of bills were also drafted to establish the Sabah Housing Commission, the Sabah Land Development Board, and the Padi Cultivation Authority and to extend the powers of the Sabah Foundation so that it could apply for and operate timber concessions. All these were drawn up in anticipation of the Legislative Assembly session scheduled for December 18. And given their blanket appeal to the entire populace, these

would put UPKO in the uncomfortable position of having to oppose programmes of obvious benefit to the state.

Stephens and UPKO became superfluous, except as irritants, and were faced with the prospect of being unable to influence the course of government for more than four years. Stephens met with Tun Mustapha to make an appeal for a coalition that would leave UPKO with at least some thread of respectability. But by this time, even a merger of the two parties was out of the question. Tun Mustapha pushed for UPKO's dissolution. With his leverage in the Assembly gone, Stephens had little choice. It was a question of his disbanding UPKO or having it break apart beneath him. Added to this, Stephens still wanted the ambassadorial post and feared that some of his timber licences could be revoked. The flight into the opposition had been costly, both in terms of his personal wealth and his political currency, and the only way he could retain some semblance of the prestige he previously enjoyed was to accede to Tun Mustapha's demand that UPKO disband.

On December 9, the UPKO Council met to consider and pass resolutions proposing the dissolution of the party and urging all UPKO members to join USNO. This subsequently was ratified by the UPKO Congress on December 28, and the party was effectively dissolved. But whereas the dissolution was welcomed by all in USNO, the call for UPKO members to join USNO was not. Tun Mustapha wanted to punish them for their past transgressions and would have been content to let them flounder without a voice for some time. Party workers at branch level were also reluctant to admit those with whom they had been engaged in such a long and vociferous battle of words. The cause for suspicion was real. UPKO members could, through their infiltration of USNO, associate themselves with the government in power, divide the loyalty of USNO leaders, and subsequently break away when the occasion was opportune. But Syed Kechik was concerned more with the advantages to be gained than the disadvantages. For the first time, the *bumiputras* of the state would be united under a single party; the SCA would no longer enjoy its role as a counterpoise; and under the strictures of party discipline, much of the public criticism of the

Mustapha government would come to a halt. He felt, moreover, that to punish UPKO members for their past activities by denying them a political role would be to foster the formation of yet another opposition movement in future. In addition, UPKO had some talented people, and to have excluded them from the government was a political luxury USNO could not afford.

Accepting former UPKO members had nevertheless to be carefully done. An immediate opening of the USNO doors would offend the sensibilities of party workers at division and branch levels. Consequently, this was deferred, at least for a short time. Another hitch was that the approval of applications for party membership was at the discretion of branch officials, and there was the likelihood that many branch committees, out of spite, would refuse membership to applicants from UPKO. This made it necessary to change the party constitution, removing the power to accept new members from the branch and division committees to a special committee in the USNO Central Executive Committee. The executive committee met on January 15, 1968 to discuss a series of amendments to the party constitution that were to be tabled at the USNO General Assembly scheduled for January 21. The majority of these related to membership matters and the separation of authority between the central body and the divisions and branches. But two other amendments were incorporated at the same time: one providing for the appointment by the President of a legally qualified person to membership in the executive committee; another providing for the qualification of an applicant for membership based on a minimum of six months' residence in Sabah. The stage was being set for Syed Kechik's entry in the party's top echelon.

The stage was also being set for a deflection of party efforts from politicking to social and economic development. The bills and amendments proposed at the December 18 session of the Legislative Assembly had all been passed. The opposition had been effectively done away with, and their leader, Donald Stephens, was on his way to Australia to become Malaysia's High Commissioner there. Former UPKO politicians, removed from the levers of distributing largesse,

became politically impotent. SCA politicians, with an eye on their business interests, fell into line. Moves were under way to buy up a majority interest in the *Sabah Times* and to mute this hitherto dissident voice. The explosive issues had been diffused, and Kuala Lumpur had a leader in Sabah who was committed to the federal concept. All these changes, having unfolded so quickly, confused the public even more. Consequently, Syed Kechik filled the media with explanatory releases—all couched in terms favourable to USNO and to Malaysia, with the occasional jibe directed at UPKO to preclude their resurgence. Everything seemed to be working out perfectly, and so it would seem for some time.

5

From Politics to Development (1968-70)

With politics entering a period of relative calm, Sabah politicians turned their attentions to the conduct of government. Tun Mustapha was happy that Stephens and some expatriates previously holding keys posts were out of the way, and unchallenged, he seemed to enjoy the aura of his new position. With inimitable insistence, he spearheaded the business of social and economic development. Much of this was done within the context of his cabinet, but he continued to rely heavily on the *ad hoc* planning team of Syed Kechik, Dzulkifli, and Rozhan for the undertakings of the Chief Minister's Department. These three men had developed the Seven-Point Programme and a number of related position papers during the political imbroglio of the previous year. With money flowing into state coffers from the federal government under the First Malaysia Plan and with the state consolidated fund bulging with timber revenues, it was possible for them to innovate further. The typical pattern was for Syed Kechik to outline the basic terms of reference and policy objectives, for Dzulkifli to determine the manner these fit in best with the state bureaucracy, and for Rozhan to determine the implications these had in the context of federal programmes. Their roles were consultative, not administrative. They developed new programmes for presentation to Tun Mustapha, who announced these as his own to the cabinet and the state. Other cabinet ministers were jealous

of the influence wielded by this advisory team, but were sufficiently occupied with the activities of their own ministries to have the time to do anything about it.

The power base of Tun Mustapha was being consolidated. Because of Syed Kechik's official role as political adviser to Tun Mustapha, he kept abreast of the political implications of all programmes under the control of the Chief Minister's Department. The departments formerly under the Ministry of Natural Resources in the Peter Lo Government were all brought under the wing of the Chief Minister after the demi-cabinet was formed in May 1967, and these were retained when the full cabinet was constituted later in the year. Syed Kechik was attuned to the realities of timber politics in Sabah, and he knew that considerable political leverage accrued to the person dispensing annual timber licences, however small the areas involved may have been at that time. Other functions having political implications were brought under the Chief Minister's Department as well: immigration, information, and all the statutory boards established in accord with the Seven-Point Programme. The intent was to make Tun Mustapha invulnerable to challenges from others in the Sabah Alliance and instrumental to the undertakings of government in the eyes of people at grass-roots level.

Syed Kechik's official position was Director of the Sabah Foundation, and he worked to get the Foundation on the footing originally envisaged. The charter enacted in May 1966 limited the scope of its activities to education and the sources of its funding to donations from the public and grants from the Legislative Assembly. This was necessary during the early stages because of the novelty of the Foundation proposal and the influence of expatriates on policy. By early 1968, with the Mustapha government firmly ensconced, it became possible to pursue the original intention to fund the Foundation's activities by way of a timber licence. Legislation to empower the Foundation to apply for and operate timber areas had been passed in December 1967, and after the dust cleared from the UPKO dissolution, he submitted the Foundation's application for a timber licence. This was approved in April 1968 with the award of a 40-square-mile timber area to be logged over a period of 10 years. Given

the prices then prevailing, the Foundation could expect net proceeds of about $800,000 annually from its timber operations.

With such funding assured, existing programmes were expanded and new ones initiated, like the exchange programme for study in the Peninsula. In 1968, the first of what was to become an annual group of 120 Sabah students was sent to the Peninsula for their secondary education. In the same year, a group of students was sent to Mara vocational schools, and scholarships were awarded for university study abroad. Facilities for vocational, secondary, and tertiary study were lacking in Sabah, and it was simpler and cheaper to export the students than create the facilities. But Syed Kechik saw that the Foundation could be more than a philanthropic body dispensing scholarships and making educational grants.

Lodged in his mind since his arrival in Sabah was the simple fact that more than 7,000 square miles of timber land —constituting three-quarters of the state's timber reserves and one-quarter of its entire land area—were controlled by 12 concessionaires, many foreign-based. This was a legacy from the colonial government, which arranged in the closing years of its rule to award timber *concessions* for 21-year periods that could be renewed for four subsequent periods of similar duration. To provide for these renewals, reserve areas roughly equivalent to four times the concession area were assigned to each of the concessionaires. There were, in addition to the concessions, *special licences* which ranged in duration from five to 10 years, such as those awarded to Tun Mustapha and Donald Stephens before independence and the one awarded to the Sabah Foundation, and *annual licences*, but the areas covered by these were negligible in comparison with the long-term concessions.

One of the White Papers developed by Syed Kechik as part of the Seven-Point Programme announced in late 1967 was related to the creation of a new forest policy. Intended as a first offering, this necessarily dealt with the protection of the state's prime resource, not its control, and the manner in which timber land was alienated for conversion to agricultural purposes. What he really had in mind in developing a new timber policy was remedying the anomaly of having

12 companies in control of the state's best timber land. Although nothing short of nationalization could alter the 21-year concession agreements already in force, he discovered, after careful study of the terms related to their renewal and the provision for reserves, that the state government was under no legal compulsion to renew the agreements upon their expiry, as previously had been assumed. But this meant the state government would only regain control over these lands in the mid-1980s. He therefore worked on the assumption that the reserve areas, which would be superfluous if the concession agreements were not renewed, might revert to state control. There seemed to be little justification for having the concessionaires keep reserves that provided for 100 years' logging under agreements that were to be valid for only 21 years.

He discussed this with Tun Mustapha and sought approval to proceed on his own. He was concerned that the investigation might be mishandled if carried out through normal bureaucratic channels. Word could quickly get around that an attempt to recover the reserves was under way, and this would give the timber companies time to lay legal land mines to protract the process for a number of years. If this happened, the issue would become political, and with politicians involved, anything could thwart the plan. Tun Mustapha gave the approval to proceed, aware more of the implications of having the reserves come under his control than the nuances. Syed Kechik had consulted Eusoffe Abdoolcader about the concession agreements when they were working together on the court cases related to the election petitions, and he brought the matter up with him again. They focussed on the provision in the agreements reserving the right of the state government to grant licences to other parties for timber extraction in the areas assigned to concessionaires. This was interpreted as giving the state government the right to take back the reserves that were set aside under the assumption that concession agreements would automatically be renewed, which they would not. It became apparent that, although it might legally be possible to reclaim the excess reserves, the timber companies could file suits to block the action for a long and costly period—enabling them

to await the possibility of dealing in future with a government more favourable to their interests. To make sure the recovery of reserves was kept out of politics and the courts, the action, when taken, would have to be swift and sure. Consequently, the matter was referred for a third opinion to the federal Attorney-General's office, where it would reside for some time.

One condition of Syed Kechik's appointment as Director of the Sabah Foundation was that the position be part-time, enabling him to open law offices in Sabah. After being called to the Sabah Bar, he hung out the shingle of Syed Kechik & Company on the main street of Kota Kinabalu on May 10, 1968. His firm was the first *bumiputra*-owned legal house in the state, and he was the first *bumiputra* lawyer. During his nearly three years of involvement in the Sabah political scene, he made numerous contacts, and many people retained his services out of goodwill. And with word getting around through the congratulatory announcements in Sabah's newspapers, a number of companies and businessmen engaged him on retainer. Through such arrangements, he was assured from the beginning of a fixed income sufficient to cover his start-up and running costs.

He made three decisions regarding his practice. First, law was to be a means, not an end. Although becoming a practicing lawyer was something he looked forward to for more than a decade, the new role would not be lasting. Instead, he would use his legal practice to launch himself into commerce, property investment, and industry to create a basis for financial independence. Second, as a matter of principle he would not accept work related to applications for immigration, land, and timber licences, which some Sabah legal firms were handling to make small fortunes. Third, he would shy away from civil cases and advocacy in court.

He concentrated on solicitor's work—ranging from notices for collection amounting to $50, to contractual agreements involving millions. To help in this, he brought in his younger brother, Syed Salem, from Alor Star. The core business was handling the legal work of Tun Mustapha. Tun Mustapha was already very wealthy and had investments in property and commercial undertakings in Sabah and

elsewhere. It seemed reasonable to Tun Mustapha that his legal affairs be directed to Syed Kechik's law offices, particularly in light of all the non-paying work the firm was soon doing for the numerous statutory bodies recently formed. But this work was also undertaken free. Syed Kechik decided in the beginning that he would not accept money from Tun Mustapha. Nor would he ask. He had seen others appeal for money, and Tun Mustapha invariably acceded. He had also seen how Tun Mustapha lost respect for these people, almost as if he enjoyed reducing them to dependence on his generosity, proffered or withheld at his whim. Part of Syed Kechik's work as legal adviser became placing himself as a barrier between Tun's wealth and the supplicants who sought a share of it—a role which was to contribute little to his popularity in government circles in Kota Kinabalu and the Peninsula.

The free work notwithstanding, Syed Kechik soon was making a fair amount of money, a situation far different from his days as political secretary when his salary was $1,350 a month. Any excess cash from his practice was channelled into property investment. Somewhere in his variegated experience, he picked up the adage that it is not how much one earns that matters, but how much one saves. Neither was he a novice in property dealings. During the 1950s he helped his father with the sub-division of a plot of land on the outskirts of Alor Star. And while working in Kuala Lumpur in 1964 and 1965, he acquired a piece of padi land north of Alor Star by arranging a bank overdraft. With the prospect of the Muda Irrigation Scheme, which was to increase the land's productive potential, the value of his holding doubled, enabling him to refinance the land and make additional investments in Sabah.

Most of his land purchases were on the Inanam Peninsula, across Likas Bay from Kota Kinabalu. The potential of the nearby peninsula became apparent to him when he was in an airplane one day to look at areas surrounding the state capital. From the air, the land seemed remarkably close to the central business district to have been for so long ignored. In his study of land utilization maps, he found that the entire area, much of it swampy, was zoned for agricultural purposes.

It was naturally separated from the main areas of urban development by mangrove swamps and the Inanam River, but his experience in Southern California during the early 1950s—where fruit farmers became millionaires in the housing boom—had demonstrated to him the inexorable course of suburban growth. The time for land acquisition was opportune. Rubber prices had plummeted because of competition from synthetics, and the trees on many small-holdings were not being tapped. It seemed also that the recovery of rubber prices to earlier levels was a remote prospect at best. As a result, the land went a-begging. On weekends, he travelled by prau across Likas Bay and up the rivers and streams to walk over the land, make inquiries into its ownership, and get estimates of selling prices. In this, he moved discreetly, negotiating and buying through intermediaries to avoid arousing undue interest in the area.

His intention was to acquire, together with partners, the entire peninsula for redevelopment, an area of more than four square miles. He devoted his investment attentions almost exlusively to this venture. As he saw it, 10 small projects required 10 times the effort of a single project, however large, and rather than fritter away his time on the details of lesser projects, he decided to concentrate on something major. These activities did not mean politics were being forgotten.

Because of Syed Kechik's unofficial role as political adviser to the Chief Minister, he was appointed Legal Adviser to USNO in February 1968. Strictly, the position was consultative, but it gave him an entree to the party's executive committee, where he became directly involved in policy and decision making. Previously, he had only been indirectly involved, exerting the influence of his recommendations through Tun Mustapha. As might have been expected, the appointment of a West Malaysian, even one who was a permanent resident and had resigned from UMNO to join USNO, was not greeted with unanimous acclaim by those in the inner circle. True, he had directed the campaign machinery during the preceding year's elections, played a central role in putting the current government under USNO's control, and drafted the amendments to the con-

stitutions of the state and party. But the expectation was that he would soon leave. With his staying, he was seen as a threat, at least by the more ambitious politicians envious of the power he would wield. He was the only person with direct and continuing access to Tun Mustapha, and consequently was regarded as a barrier to the font of power and patronage.

He had been working haphazardly for two years to improve the structure and depth of the USNO party organization, but without considerable success. The only exception was the strengthening of the party during the 1967 elections, and this proved to be a political house of cards that quickly collapsed. With UPKO out of the way, the task became more difficult, not easier. In the absence of open partisan competition there was little motivation for going through the motions of holding regular meetings and fostering party support at the grass roots. In the absence of electoral tests, during which money flowed freely to reward party leaders and workers for their efforts and support, self-enlightened activities for the party were supplanted with disinterest. Yet, invigorating the party in this context of complacency was important. Many former UPKO members refused to join USNO after their party dissolved, and those who did had to be schooled into the discipline and rhetoric of their new party. Parliamentary elections were due in 1969, and the lining up of support of former UPKO members behind independents had to be precluded.

The main task was to get the party's structure and administration in accord with its constitution. Many branches had been opened in a manner which contravened the party's instruments, and these had to be reopened to make them 'legal'. Divisional boundaries were redrawn to make these congruent with constituency lines, and the number of party divisions was reduced from 35 to 32. Communications, which previously had run directly from branch offices to the party headquarters in Kota Kinabalu, were channelled instead through division offices. Permanent field officers were hired to keep the organization operating at all times, instead of tuning up only for elections. Membership dues, previously ignored or pocketed, were made compulsory under penalty of expulsion. And the basis of branch representation to state-wide assemblies

was changed from the *ad hoc* method of inviting two members from each branch to authorizing one representative for every 500 paid-up members. While the leadership of the party basked in Kota Kinabalu, things began to happen in the lower echelons.

After the race riots in Kuala Lumpur on May 13, 1969, a state of emergency was declared throughout Malaysia. Sabah was untouched by racial violence, but the federal government extended emergency regulations to Sabah to bring it in accord with conditions in the rest of the country. Special powers were vested in the State Operations Committee (SOC) which supplanted the institutions of parliamentary proceedings. It comprised the Chief Minister, the Federal Secretary, the Police Commissioner, the Commander of the 5th Malaysian Infantry Brigade, the Head of the Sabah Special Branch, and the Directors of the state Departments of Information and Broadcasting. Tun Mustapha was appointed Chairman of the SOC and for the first time was able to govern autocratically. Having previously to adhere to bureaucratic procedure and the law had been an annoyance, and he had attempted instead to bulldoze things through his cabinet, the Legislative Assembly, and the departments of the various ministries. Suddenly, his hands were untied, and there was nothing to impede him. The state ministries continued to function, but all were directly under the control of the SOC and its Chairman. Importantly, Tun Mustapha was given powers of detention, and coupled with his powers over immigration, he had the means to muffle dissent and remove the obstructions to his governance. Soon after he received detention powers, a number of people were detained, including Yap Pak Leong, the independent who defeated Peter Lo in 1967 and remained the sole opposition member in the Legislative Assembly, and Khoo Tao Choon, the brother of Deputy Chief Minister Khoo Siak Chiew. This gave Tun Mustapha his first real taste of near-absolute power and marked one turning point in the style of his rule.

The special powers given to Tun Mustapha made the cabinet essentially superfluous, and he increasingly had his own ideas about programme implementation. Instead of having to have the procedural groundwork laid for him, he

had only to express his wishes to get things under way. This began to make the *ad hoc* planning team of Syed Kechik, Dzulkifli, and Rozhan superfluous as well. Tun Mustapha was doubtless cognizant that heavy reliance on these three men made him less than unassailable, and he pulled some of their influence closer to home and redistributed it to satisfy his ministers. By this time also, he was cavorting more with federal leaders in Kuala Lumpur, particularly with Tun Razak, who then was Chairman of the National Operations Council (NOC) and would replace the Tunku as Prime Minister when there was a return to parliamentary government. Syed Kechik, on the other hand, avoided hob-nobbing with federal leaders and concentrated on the development of the Sabah Foundation, his law practice, the reorganization of USNO, and on the timber negotiations, which were to prove of considerable importance.

The federal Attorney-General's office sat on the Sabah timber concessions file for more than a year, doing little. In the meantime, Syed Kechik continued to check out the legal implications of the original concession agreements, developed a strategy that would be convincing to both the cabinet and the timber companies, and planned tactics that would ensure success in recovering the excess reserves. Also necessary was anticipating the probable objections from Chinese businessmen, given the vested interests many of them had in timber extraction. It was therefore planned that half the recovered timber land would be assigned to a public company formed to enable the participation of all Sabahans by reserving its shares for the entire populace. This would also blunt the objections of foreign companies. Already enjoying substantial profits from their current operations, they would find it difficult to oppose a programme that was broadly based in its appeal and benefits. Syed Kechik retrieved the file in mid-1969 and drafted a proposal for a revised timber policy for Tun Mustapha to present to his cabinet in September.

According to plan, the Permanent Secretary to the state Ministry of Natural Resources, Kassim Othman, informed Syed Kechik on September 22 of his appointment as head of the government team to negotiate with the 12 con-

cessionaires. Appointed as his co-negotiators were Haji Siddick Martyn, the Conservator of Forests, and James Voon, the retired state Accountant-General. The next day, on Syed Kechik's instructions, letters were sent by the ministry to the concessionaires informing them of the government's decision not to renew their concession agreements upon expiry and to take back the excess balance of their reserve areas. After ensuring that these letters had been received, Syed Kechik requested the concessionaires to appear on October 3 at the Chief Minister's Department in the State Secretariat. Each was asked to come at a different time, staggered at half hour intervals over the day. Syed Kechik chose to meet with the smaller companies first, thinking if he could secure their signatures to a preliminary agreement, the others would be predisposed to fall in line.

Before the meetings, the Sabah Timber Association, a group of private timber companies originally formed to arbitrate with the state government on such matters as royalties, sent word to Syed Kechik expressing the desire of the concessionaires to negotiate as a bloc. He rejected the request. The government had entered into individual agreements, and it was with individual companies that the government would deal. Some companies then said they would come in with their lawyers. Again, their moves were rejected. It would have been appropriate for them to bring their lawyers only if the matter were being taken to court, and things had not reached that stage. He wanted them divided, alone, and insecure. When the first concessionaire arrived at nine o'clock, representing the smallest of the 12 companies, Syed Kechik drew his attention to the relevant articles of the concession agreement and informed him that the government was under no compulsion to renew the agreements and had the authority to take back the excess reserves. He then presented the preliminary agreement he had drafted to incorporate these points of understanding. The concessionaire refused to sign. Syed Kechik expected this and ushered the man to a private office, asking him to wait. Identical scenarios unfolded for the next three concessionaires.

Bringing the four together, he impressed on them their lack of recourse and the validity of the government's position.

Then, he cast his trump card. In exchange for relinquishing the excess reserves to the control of the state government, the concessionaires would be permitted to increase their annual coupe—the area they were permitted to log in a single year—by five percent and maintain a management reserve equivalent to 20 percent of their remaining coupes as provision for low productivity areas. If they did not sign the agreements that day, however, this offer would be withdrawn. The concessionaires looked at one another, exchanging stares that reflected their predicament. The question was whether they would sign. It seemed they would, but none was willing to be first, none was willing to take the risk of signing away the future resources of his company if others did not do the same. Finally, they agreed to sign at the same moment. By the time the negotiating team met with the other concessionaires, their compliance was foregone, except for the representatives of public companies who did not have the authority to sign on behalf of their shareholders. Because it was necessary for them to refer the preliminary agreements to their respective boards of directors, they received one month's grace to secure these authorizations.

The fact that Syed Kechik had the tacit backing of Tun Mustapha for these moves definitely played a part in the acquiescence of the concessionaires. The negotiations were initiated five months after emergency regulations had been put in force following the May 13 riots in the Peninsula. Tun Mustapha's powers of detention doubtless impressed local companies, who must have feared that some of their key personnel would likely be detained if they failed to comply. Tun Mustapha's powers over immigration also impressed the foreign companies, who must have feared that the work permits of their expatriate staff, on whom they were totally reliant for the management of their operations, would simply be revoked. The ingeniousness of the moves to recover the reserves therefore resided not so much in tactics employed as in the original conception.

The balance of the negotiations related to boundaries of the areas to be returned, and in this second stage, Syed Kechik's two colleagues on the team were instrumental. He outlined only the principles that the areas retained by the

concessionaires should comprise high and low yield areas and be reasonably contiguous with the areas of their previous coupes. The concessionaires, familiar with the land, were at an advantage over the team in this second stage, but it was nevertheless possible over the next six months to determine mutually the boundaries that were acceptable to both sides. As a result of these negotiations, nearly 6,000 square miles of timber land were returned to the control of the state government.

Fully aware that the vultures of opportunism would swoop in on these recently regained resources, Syed Kechik wanted at least 3,000 square miles to be preserved for the benefit of people in the state. Although it was originally proposed that half the recovered reserves be assigned to a public corporation, he recommended instead that this area come under the control of the Sabah Foundation, where the resources could be applied to similar ends under an already existing framework. He would have preferred that the entire 6,000 square miles be assigned to the Foundation, but he knew this to be unlikely because of the pattern of timber politics in the state. The Chief Minister enjoyed having the authority to dispense timber areas to reward his supporters and placate his political opponents. Half was better than none at all, and it was arranged for the best lands to come under the control of the Foundation, much to the chagrin of ministers and other state dignitaries who applied for new areas time and again, only to find that the areas they wanted were already earmarked for the Foundation.

With an agreement in principle that the Foundation receive a timber area of 3,000 square miles and a management reserve of 300 square miles, planning began for a series of programmes of greater benefit than in education alone. To implement them, Syed Kechik proposed that the Foundation's term of reference be again broadened, giving it the power to enter a larger field of economic endeavour in the state. The assignment of the timber area was made on the assumption that proceeds from the new timber activities would be directly distributed by the Foundation as dividends to the state's adult populace. But Syed Kechik saw that this would foster more consumption than investment and that it

would be possible instead to invest some of the Foundation's income for indirect and ultimately greater benefits.

The power was sought and obtained to enable the Foundation to participate in the development of commercial and industrial enterprises. For this, private companies would be incorporated to engage in timber extraction, timber sales, and shipping. These were empowered to branch later into timber processing, property development, and other opportunities having demonstrable potential and benefit. Also obtained was the power for the Foundation to establish and maintain academic and training institutions, not simply make grants to them. In short, the Foundation was to become a corporate conglomerate following capitalist principles for its operations and socialist principles for the distribution of profits. These changes were submitted as amendments to the Sabah Foundation Enactment and approved, first by the SOC, and subsequently by the Legislative Assembly after the return to parliamentary rule in 1970.

It was thus planned that a substantial part of the income realized from timber operations would be distributed as dividends to all adults in the state, a second part for education programmes, and the balance for investment in commercial and industrial activities that would generate additional income for the first two purposes. To design a suitable organization structure, Syed Kechik brought in a leading firm of management consultants from Kuala Lumpur. They recommended the formation of the Sabah Foundation Group of Companies, comprising a trust and three subsidiaries incorporated under the Companies Act. The trust provided the flexibility necessary for the registration of beneficiaries and enabled all adult Sabahans without criminal records to participate in the profits. Of the three companies, one was to engage in timber extraction, the second in timber sales, and the third in the management of the trust fund. This structure effectively separated the functions of the Foundation and provided for the maximum return of proceeds from its activities to the trust fund. The structure also insulated the Foundation Group from undue influence and left it virtually autonomous. Tun Mustapha was installed as Chairman and Syed Kechik as Managing Director of the new companies,

placing them in relatively invulnerable positions of considerable power. All this was announced by Tun Mustapha at the first Annual General Meeting of the United Sabah Islamic Association (USIA) on August 1, 1970.

While preparing for the timber negotiations, Syed Kechik also worked on the concept of establishing an organization to promulgate Islam in Sabah. Facilities for Islamic worship and teaching were lacking and, in Kota Kinabalu itself, there was not a single satisfactory mosque. Five district level Islamic associations had been operating for some time, but their efforts were fragmented. The result was that the attachment of Sabah Muslims to Islam was more nominal than devoted, and with more than a third of the people of the state still adhering to animistic beliefs, it was felt that many could benefit from a stronger sense of religion. At this same time, Tun Mustapha was himself entering a phase when he wanted Sabah to be Muslim and Sabah's language to be Malay, in order to bring the state closer to the situation in the Peninsula. Thus, when Syed Kechik proposed the formation of a statewide Islamic association to supersede the largely defunct and ineffectual district organizations, Tun Mustapha was receptive. There must also have been some political considerations. Islam was a major binding force for the United Malays National Organization (UMNO), the dominant political party in the Peninsula, and whereas USNO had originally been a predominantly Islamic party, it had become interlaced with Christians after the dissolution of UPKO. This promoted *bumiputra* unity in the state, but diluted the one organization around which Muslims could rally. There was, moreover, concern that a Christian coalition between the Kadazans and Chinese might emerge as a new basis of political power.

Syed Kechik was appointed the Secretary-General of USIA when it was launched at the Islamic Congress in mid-August of 1969. His efforts were mainly organizational. After a fund-raising drive brought in more than $1 million in contributions, branches were established throughout the state, and religious teachers were imported from the Peninsula to direct activities until local people could be trained to take over. He arranged for the award of a small timber area to

USIA to finance the construction of a five-storey headquarters building in Kota Kinabalu. He was also instrumental in getting USIA's missionary efforts under way, efforts which were to become a target for local, national, and international criticism. He felt that the proselytizing efforts of Islamic missionaries were being obstructed by the Christians, and he was not against competing with the Christians in that age-old competition for converts. As he saw it, Christian missionaries were themselves less than innocent, requesting conversion to their faith in exchange for enrolment in their schools. Moreover, Christianity established a foothold during the early days of the Chartered Company, and something had to be done to put Islam, the official but not compulsory religion of the state, on an equal footing. What he did not anticipate, however, was that USIA field workers, anxious to please their leaders, would resort to pressure and intimidation to badger new converts and subvert the efforts of the Christians.

Over this, Syed Kechik had little control, although he seems to have put up with it tacitly for some time, even after it had become an international *cause célèbre*. Allegations were made of forced conversions and the expulsion of Christian priests and pastors. The allegations had some truth, given the haste with which many of USIA's activities were undertaken, but were somewhat biased through the presentation of a partial picture coloured with exceptions rather than the rule. The expulsions were rationalized as being procedurally justifiable, insofar as a number of immigration passes of missionaries had expired and simply were not renewed. There were nevertheless instances of those who had their passes terminated. The great majority of conversions were voluntary, as demonstrated by the conversions of Ganie Gilong, who took the name Abdul Ghani Gilong, and Donald Stephens, who took the name Mohammed Fuad Stephens. There were nevertheless instances of those who received money, promotions, and timber areas from Tun Mustapha as a reward for their conversion. That the conversion and expulsion issues were to get out of hand—whatever the merits of the situation—was an error, however. The political implications of these actions were to damage the image of the Chief Minister and the Sabah government. The difficulty

was that Tun Mustapha was convinced he was right, and those who questioned his actions, whether in Kuala Lumpur or in Kota Kinabalu, were chastised as being less than firm in their adherence to the faith.

Syed Kechik also became involved with the Sabah Land Development Board (SLDB), which was established in early 1969 to take over the major settlement schemes previously under the state Ministry of Agriculture and to embark on a programme of constructing bulking installations for palm oil. The SLDB had been spending substantial sums of money, but had little to show for it except the visible excesses of its free-wheeling, free-spending officers. Increasingly, complaints were lodged regarding irregularities and mismanagement, and these cropped up in a discussion at the Chief Minister's house in early 1970 when a number of state officials gathered for an informal review of government programmes. As those present offered their suggestions for the manner in which the SLDB's difficulties might best be resolved, Tun Mustapha broke in and told Syed Kechik that he should become the SLDB Chairman. Although Syed Kechik was already over-committed, he accepted, feeling he could concern himself largely with policy matters and bring in a deputy to tidy up the organization and attend to administrative detail.

He wanted Tunku Manṣur Yaacob to become Deputy Chairman. Tunku Mansur was then the Planting Director of the Federal Land Development Authority (FELDA), the federal counterpart of the SLDB, and was well-versed in the bureaucratic, economic, and field aspects of land development. The appointment of a West Malaysian to the deputy's post compounded the criticism surrounding Syed Kechik's own appointment as Chairman, but his rationale was that Tunku Mansur, simply by being an honest administrator, could save the SLDB millions of dollars that might otherwise be deflected. Together, they got the organization going. Budgetary controls were introduced to reduce the inflated costs that had been customary for most construction and land conversion projects. Flaws in the settlement schemes already operating were remedied to make these more attractive and profitable to settlers. A master plan was conceived to administer the Board's 31,000 acres and $10 million annual

budget and to govern the implementation of new projects. The work undertaken on the Board's behalf by the slow-moving Public Works Department was expedited through liaising with the State Action Committee that had been formed to coordinate development efforts in the state. Joint-venture arrangements were set in motion with the Commonwealth Development Corporation to take full advantage of the partner's capital and management resources. The feasibility of converting land for livestock rearing was explored to diversify away from the dependence on oil palm, particularly in areas where soil conditions were unsuited to plantation agriculture. And the instruments of the SLDB—its charter, constitution, bye-laws, and rules and regulations—were improved to facilitate its continuing effectiveness.

Sabah, during this period, was a frontier land with considerable development potential. Money was flowing in from the federal government and from increased revenues generated by timber extraction. The state government, unimpeded by an effective opposition, critical press, and tight federal controls, was essentially autonomous under its Chief Minister. This made Sabah a *tabula rasa* for people with ideas and enabled creativity to supplant procedure in the formation of programmes for the economic development of the state. But there were a host of disadvantages associated with this as well. Self-seeking political appointees, administrators, and ministers increasingly attached their tentacles to state projects and siphoned much of the potential effectiveness of official bodies into their own pockets.

Tun Mustapha condoned this, seemingly enjoying the paternal role of being able to distribute largesse and patronage as his own. He was fast becoming one of the richest men in the world. He was beginning to live the life of a feudal lord, spending more time at his country estate in England and returning less frequently to garner the ritual homage and obeisance. Such is the malaise of first generation politicians who, finding themselves in control of considerable power and wealth, are unable to resist the temptations of indulging their fancies. This was not without its ironies. As Tun Mustapha fervently pursued the conversion of the people of Sabah to Islam, he was himself developing the reputation as having a

roving eye for women. As he pushed for Sabah's becoming increasingly Malay through the accelerated introduction of *Bahasa Malaysia*, he was himself living the life of an English aristocrat. Syed Kechik saw this as the work of foreign secret services anxious to topple Tun Mustapha from power and bring to an end his policy moves which had been so detrimental to foreign subjects and commercial interests in Sabah. But if this were indeed the case, Tun Mustapha was a willing accomplice. He had the money and power to exact virtually anything from virtually anybody. In the few years since his reluctant ascent into political pre-eminence, he had become unassailable as the dominant personage in the state.

6

Continuing Detours in Politics (1969-71)

As the May 1969 parliamentary elections drew nearer, standard campaign devices were drawn into play in Sabah. The machinery of the state and federal ministries, the Information Department, and the police and Special Branch was activated to provide publicity, logistical support, and political intelligence. A fresh manifesto was prepared. Statements by current and potential members of Parliament were issued more frequently. Tun Mustapha, as the symbol of the Sabah Alliance, was given greater exposure. Donald Stephens was brought back from Australia, as was Ganie Gilong from his federal minister's post in Kuala Lumpur, to implore constituents in former UPKO strongholds to stand firmly behind the Sabah Alliance. Syed Kechik hoped that USNO officials would assume many of the things he had to undertake himself in the state's first general elections two years before. But his thinking was wishful. Again, he stepped in to fill the gap between planning and implementation that had been opened by smug complacency.

The challenge to the Sabah Alliance was to come from independents. During the 1967 elections, there had been talk of the formation of an Independent Front and of a People's Workers Party, modelled not so incidentally on the People's Action Party in Singapore. Although these idealistic excursions had not mustered the financial support necessary for their survival, the occasion of fresh elections fostered their

re-emergence. Still, independents were by this time regarded with suspicion. During previous elections, the candidacies of many independents seemed more opportune than resolute. With unaccountable alacrity, many aligned themselves with the parties involved in the fray. Because of limited funds, they had been unable to attract the support of electorates that were more interested in vote-selling than in issues. Because they could not rally support, they willingly aligned themselves with parties in exchange for some vote-selling of their own. This disenchanted the voters who had given legitimate support to independents, and in the coming elections, their support was to be more guarded.

Even though the independents appeared to be weak, Tun Mustapha wanted no challenge whatever: he wanted total victory. He was fast gaining the reputation as a super-federalist in Kuala Lumpur political circles, doing more for Malay nationalism in Sabah than UMNO leaders were able to effect in the Peninsula. Such acclaim he doubtless enjoyed. He had also promised federal leaders that he would deliver all 16 of Sabah's parliamentary seats to the ruling government. This seems to have been more the effect of his motivations than the cause. He wanted to exact the total support of the Sabah electorate, seemingly thinking that if he got this, it could be equated with there being no challenges to his right to rule. He could not tolerate dissidence, perhaps reflecting personal insecurities about his capability to govern, and he preferred instead to rule autocratically. He wanted to dominate the British still residing in Sabah in the same way the British had once dominated him. This spilled over into his desire to rule the people of Sabah with equal domination. He had the British model for emulation, and anything less than its full realization would have left him dissatisfied.

Syed Kechik indulged Tun Mustapha's pursuit of total victory, but for different reasons. He was aware of the importance of Sabah's 16 seats in the federal numbers game of achieving the two-thirds majority necessary for amending the constitution. He was also a aware of the irritants the independents might bring to disrupt a series of moves then being set in motion, notably the delicate timber negotiations which

were as yet unhatched, the leverage of the state government in negotiating for federal development funds, and the changes in charter being envisioned for a number of statutory bodies, including the Sabah Foundation. The primary strategy, therefore, was for Sabah Alliance candidates to campaign as if independents did not exist, remaining confident but not aloof. The other part of the strategy was to separate the challenging independents from the campaign itself.

Before nomination day, Syed Kechik alerted the election agents who were to be present at nomination centres on behalf of Sabah Alliance candidates as to the full nuances of nomination procedures. Each was issued with a checklist of possible objections that could be registered to disqualify nominees: the requirement for proper description of candidates to make their identity unequivocal; the requirement for seconders to be listed on current electoral rolls; the requirement for cancellation of the stamps affixed to the statutory declaration made by candidates before the Commissioner of Oaths. This was circulated as much to ensure the successful nomination of USNO and SCA candidates as to find procedural bases for disqualifying challengers. By this time also, the government had installed loyal district officers, many of whom acted as returning officers and were predisposed to interpret borderline cases in the government's favour. On nomination day itself, 19 Sabah Alliance candidates were returned unopposed. Independent candidates were able to lodge their nomination papers in only six of the 16 constituencies.

With electioneering reduced to six constituencies, the Sabah Alliance might have been content to concentrate its electoral resources and simply defeat the opposition. Tun Mustapha wanted, however, to obliterate the opposition from the campaign and his mind. He instructed that no coverage be given to independent candidates in government and pro-Alliance media. Tun Mustapha, by this time, was after every vote. When Lim Kit Siang, the Secretary-General of the Democratic Action Party (DAP), came in from the Peninsula to campaign on behalf of the independent candidate standing in Kota Kinabalu, Tun Mustapha saw that his visit pass was revoked and had him quickly expelled from the

state. This was not entirely without justification.

Polling had already finished in the Peninsula, where the opposition captured 37 seats and needed only 12 more to block the national Alliance from getting a two-thirds majority. Polling in Sabah was not scheduled to begin until May 15, and Lim was hoping the opposing independents might pick up a few seats to add to the total in the Peninsula. Bolstered by the DAP's unexpected success, he gave an impassioned appeal to a large gathering in Kota Kinabalu for a Malaysian Malaysia, four official languages, and an end to Malay domination. He made his address at the same time riots were breaking out in Kuala Lumpur. Such rabble rousing Sabah could do without, and Lim was expelled under the immigration provision prohibiting holders of social visit passes from campaigning. On May 15, a state of emergency was declared throughout Malaysia, and polling was suspended in Sabah and Sarawak. Tun Mustapha's 10 Sabah Alliance candidates returned unopposed on nomination day gave the national Alliance, which picked up 67 seats in the Peninsula, more than the 73 necessary to constitute a majority in Parliament. Without these seats, the opposition could have claimed that the federal government's actions in response to the riots were taken by a minority government.

With domestic conditions again stabilized after more than one year of emergency rule, polling resumed in Sabah and Sarawak in June 1970. In the interim, public campaigning was prohibited, and this put independents at a considerable disadvantage. Their limited resources were spread even more thinly over the long period between nominations and polling, and they had to rely on house-to-house canvassing to muster support for their candidacies. The Sabah Alliance candidates, on the other hand, were able to exploit the government machinery to increase their popular appeal, and those already holding office found it particularly easy to circumvent the restrictions on campaigning. This seems to have made little difference. When results were announced on June 27, the Sabah Alliance won all six of the remaining seats, one uncontested and five in contests against independents in which they picked up from two-thirds to four-fifths of the vote. In Sarawak, where polling for 48 state and 24 federal seats

was staggered from June 6 to July 4, the elections were being contested much more closely. These were Sarawak's first general elections, and the state's five parties had 227 candidates in a field that also included 89 independents. Consequently, there was little certainty as to how the various parties would fare, and even less as to the shape the new government would take. As it happened, Syed Kechik once again played a role in its formation.

During his last episode in Sarawak four years before, he had been soured by a number of things. Immediately after the political chaos was resolved with the re-installation of Penghulu Tawi Sli as Chief Minister, Syed Kechik found that the attitudes of many towards him had changed. Rahman Yakub did not acknowledge the instrumentality of his efforts to create conditions which enabled Ningkan's ouster. Taib Mahmud became patronizing in his polysyllabic discourses on the political course Sarawak should follow. Khaw Kai Boh became openly antagonistic, accusing Syed Kechik of mishandling the funds sent in by UMNO to cover the living expenses of state ministers during the interregnum. And Abdullah Ahmad, frequenting the political cocktail circuit which Syed Kechik so consciously avoided in Kuala Lumpur, began to deride the activities and style of his counterpart, doubtless feeling the sting of having been summarily rebuffed. Of these things, it was the allegation of Khaw Kai Boh, coupled with the demand for full accounting of the $20,000 placed under his discretion, that bothered Syed Kechik most. He must have wondered how people the stature of Tan Sri Jugah could be asked to sign receipts for disbursements of a few hundred dollars when they were expected to administer government budgets running into hundreds of millions. He simply informed Tun Razak that the funds had been properly spent.

On July 2, two days before polling in Sarawak was to be concluded, Syed Kechik received a cable from Rahman Yakub asking that he come to help out. Rahman was by this time the federal Minister of Education, and although standing once again for his seat in Parliament, he also was running for election to the Council Negeri. He had, moreover, received

substantial contributions from Tun Mustapha for the campaign of Party Bumiputera Sarawak (Bumiputera), the new party formed by the merger of Barjasa and PANAS. This must have given Rahman the feeling that he could call on Syed Kechik. But Syed Kechik, still embittered by the treatment he received in 1966, ignored the cable. Another cable was received the following day, and this too was ignored. When a third cable came in on the morning of July 4, asking him to act as counting agent in Rahman's state constituency, Kuala Rajang, he decided to go. The area was a hotbed of communist activity. Only two weeks before, a polling team had been ambushed near Sarikei and all its members were killed. Rahman opted to go to the counting station for his federal constituency where things were more calm. No one was anxious to go to Sarikei, but it was a job that had to be done.

Armed with a .25 calibre pistol, Syed Kechik flew to Sibu and was met by Rahman's political secretary. They left immediately by river taxi for Sarikei. When they arrived at the Sarikei Club where counting was to be held, they found a hostile district officer overseeing the proceedings and a large group of hostile SUPP and SNAP supporters. With a lot of glaring from all quarters, the counting got underway. It soon became apparent Rahman was running well ahead of his opponents, and as the counting continued, results from elsewhere in the state were followed over the radio. Bumiputera was performing better than originally expected. With many results already announced, it seemed Bumiputera would command, together with the three Sarawak Chinese Association (SCA) seats they were instrumental in delivering, at least 15 of the 48 seats in the new Council Negeri. This would put them in a strong bargaining position to insist on Rahman Yakub's appointment as Chief Minister, and a series of options for a Rahman government, along the lines of Tun Mustapha's in Sabah, began to unfold in Syed Kechik's mind. After the counting was finally completed at four-thirty in the morning, the requisite signatures were put on the requisite documents, and Syed Kechik and his colleagues beat a hasty retreat to Sibu in a small, outboard-powered prau that had been hired for use during the campaign. Shortly

after sunrise, they met a large motor launch with Rahman aboard, en route to Sarikei to think his voters for their support. Syed Kechik advised him to get back to Sibu, take the next plane to Kuching, and instruct the other Bumiputera members of the Council Negeri to do the same. It was there that the power in the new government would be decided, not in Sarikei. Indeed, it already had been decided—at least, almost.

The Sarawak Alliance of Pesaka, Bumiputera, and the SCA had been faltering for some time and in ways having many parallels with the Sabah Alliance before the 1967 elections in Sabah. In the pre-nomination negotiations for the allocation of seats, misunderstanding abounded and no agreement could be reached. Rivalry between Pesaka and Bumiputera had earlier been intensified by the acceptance into Pesaka of Wan Alwi, a young Malay lawyer and former Bumiputera stalwart. Although the two parties had previously agreed to limit their memberships to Ibans and Malays respectively, Wan Alwi's crossover opened the poaching season for encouraging additional crossovers at branch and division levels, and inter-party raiding became rampant. There was also disagreement over the use of the Alliance symbol, the sailing ship. Pesaka's main rival in the Iban areas was SNAP, and with SNAP's having a stylized shield for its symbol, Pesaka felt it would be at a disadvantage using a symbol associated with the coast. They elected instead to run under their own symbol, also a shield, but a shield in the Iban tradition. Bumiputera and the SCA elected to run under the sailing ship, not their party symbols, feeling that the implicit link with the federal government was something they could not abandon. Since they represented significant minorities, this was one way of ensuring continuous federal support for their constituents.

This created some misunderstanding in Kuala Lumpur, and the Tunku was led to believe, incorrectly, that Pesaka was withdrawing from the national Alliance. As a result, he withheld financial and moral support for Pesaka, and this weakened their position in the intervening year before the resumption of polling. Whereas Pesaka was confident in 1969 of getting at least 18 seats, six and possibly more of

these seats had swung to SNAP and Bumiputera by June 1970. SNAP got a lot of mileage out of the issue of federal high-handedness, not only in the earlier Ningkan affair, but in Kuala Lumpur's anomalous decision to appoint the Sarawak Federal Secretary as Chairman of its State Operations Committee during the period of emergency following the May 13 incident in 1969, instead of the Chief Minister as in the other states. Bumiputera had in the meantime been able to avail themselves of financial injections from Tun Mustapha and other sources. This made it imperative for Pesaka to seek new alliances, and because of their growing antipathy for Rahman and Bumiputera, they talked with SUPP some months before elections resumed and with SNAP immediately before. The plan was for the three parties to form a government that would exclude Bumiputera initially and preclude the possibility of Rahman's becoming Chief Minister. Rahman's pro-Malay stance on language and education, as Minister of Education, offended the sensibilities of many Sarawak politicians, and few were anxious to see him in power in the state.

When all the results became known on the morning of July 5, a Sunday, it was clear that several combinations of parties could muster the 24 seats necessary to form the government. Bumiputera had won 12 seats, SNAP 12, SUPP 11, Pesaka only nine, and the SCA three—with one seat deferred to a by-election that was to be held some weeks later. The Sarawak Alliance, as then constituted, commanded enough seats to form the government, their numbers just totalling 24. But with Bumiputera in the Sarawak Alliance driver's seat, Pesaka reopened contacts with SUPP and SNAP. Tan Sri Jugah and Thomas Kana called a meeting of the Pesaka members in Sibu on the evening of July 5 to get their authority to form a coalition with SUPP and SNAP in which state ministerial posts would be split 3:3:3 with Thomas Kana as Chief Minister. SUPP and SNAP seemed likely to accede to this because without Pesaka, whom they knew to be in contact with Bumiputera as a contingency arrangement, they had only 23 seats between them and were disinclined to remain any longer in the opposition. Neither could they, being Hokkien- and Hakka-based parties, hook up with the predominantly

Foochow SCA, in light of the rivalry of these dialect groups in business. They knew also that a straight SUPP-SNAP partnership, bolstered by a single defection from one of the other parties to give them a majority, would not sit well with Kuala Lumpur and would likely result in Sarawak's being cut off politically and financially from the federal mainstream.

On the evening of July 6, representatives of SNAP, SUPP, and Pesaka met at the home of Datuk James Wong, the SNAP leader, in Kuching. Anti-Rahman feelings were running high, and many present felt that only their three parties should form the government. When no decision could be reached on the selection of the Chief Minister, discussions reverted to the inclusion of Bumiputera. They all agreed it would be federally imprudent to exclude Bumiputera from the cabinet, and James Wong suggested that a grand coalition of all the parties be formed. Under such an arrangement, Rahman's negotiating strength would be reduced, and the three lead parties could dictate the ministerial appointments to their liking. An agreement was drawn up by lawyers there present for the leaders of the three parties to sign. But Stephen Yong, the Secretary-General of SUPP, was prepared only to give his verbal oath. He said he could not sign the agreement without first consulting his party, and he suggested it would be superfluous for any of them to sign without first consulting Rahman and Bumiputera, who were affected by the agreement. This did not seem unreasonable, and they agreed to meet the following morning at nine o'clock, whereupon they would all go across the river to the Astana and present the Governor with their petition to form the government.

Another reason for Yong's reluctance to sign was that another series of negotiations had been going on in Kuching during the preceding two days, the seed having been planted two months before when SUPP leaders met with Tun Razak in Kuala Lumpur to discuss SUPP's inclusion in the new Sarawak government. SUPP had been in the opposition for more than eight years, and the prospect of five more years would likely have destroyed the party's credibility among its supporters. Consequently, SUPP leaders wanted to keep all their options open. Another factor was that a number of

SUPP supporters had been detained under the Internal Security Act. If SUPP were to drop its anti-federal stance and come into the state government with a pro-federal party like Bumiputera, it would be better able to push for the release of those still in detention. SUPP's conditions for entering into partnership with Bumiputera or into coalition with the Sarawak Alliance were that Rahman could have the portfolio of his choice, so long as this was not the Chief Minister's, which would go to an Iban acceptable to both parties. They also wanted the SCA excluded from the state cabinet and immediate action taken to release many of the hundreds of SUPP party members in detention.

Tun Razak had come to Kuching for the announcement of election results and was ensconced at the Astana, where he kept track of the negotiations between the various parties. He knew that Pesaka leaders were thinking of entering a coalition with SNAP and SUPP outside the context of the Sarawak, and hence national, Alliance. As a result, he tacitly supported SUPP's entering a partnership with Bumiputera or a coalition with the Sarawak Alliance, for this would temper SUPP's long-standing campaign for state autonomy. He must also have felt this would keep Pesaka in the fold of the Sarawak Alliance. But these were not the only motivations behind the unlikely partnership. In the parliamentary elections, SUPP had won five seats. Added to the nine seats already delivered to the national Alliance Party by the Sarawak Alliance, SUPP's seats would give the federal government precisely the 96 seats needed to amend the constitution with a two-thirds majority.

SUPP would not necessarily have to join the national Alliance, a move certain to disaffect much of its membership. They would have merely to give assurances that they would support the federal government in Parliament in matters of national importance, and Tun Razak had several such matters in the legislative works which would require SUPP's five votes when the country returned to parliamentary proceedings in early 1971. In exchange for this support, SUPP would be given a federal portfolio and the detention of SUPP members would be re-examined. Given SUPP's antipathy for Rahman, they were not convinced of the wisdom

of a direct partnership with Bumiputera, but they were listening. And to keep the lines of communication open between the leaders of the two parties, Tun Razak must have instructed the Sarawak Federal Secretary to act as mediator. Then, on Monday morning, June 6, he returned to Kuala Lumpur, presumably concerned about playing too obvious a role in the state government's formation.

From earlier dealings with Pesaka leaders, Rahman knew that Pesaka was adamant about his not becoming Chief Minister. And from his conversations with Tun Razak and the Federal Secretary, he knew that SUPP had similar feelings and wanted the SCA excluded from the cabinet. Because this could throw the SCA into a coalition with Pesaka and SNAP that would have the 24 seats necessary to form the government, he set out to encourage a defection from Pesaka. This would preclude a Pesaka-SNAP-SCA government and improve his bargaining position by supplying the twenty-fourth seat for a Bumiputera-SUPP partnership. He contacted Pesaka's Penghulu Abok, saw that he was separated at the Palm Hotel from the other Pesaka members who were staying at the Longhouse Hotel, and convinced him to join forces with Bumiputera. The offer of a cabinet post was too much for Penghulu Abok to refuse, and he doubtless felt, in the absence of any ulterior motives, that he could do more for his constituents as Minister of State than as one among many Council Negeri members. The defection was, of course, kept secret.

In the meantime, Syed Kechik had been meeting with many state and federal leaders and advocating that Rahman be supported in a bid for the Chief Ministership. He had also been working with Rahman's political secretary to get the signatures of the Bumiputera members of the Council Negeri to a petition to the Governor expressing their desire that Rahman be appointed Chief Minister. His primary concern was not to have a Muslim installed as Chief Minister, but to prevent Ningkan's return, which could result if the government were formed by any coalition that included SNAP. Surprisngly, a great deal of ambivalence over the shape of the new government prevailed. Rahman, aware of the many people and parties against him, was of two minds: anxious

to become Chief Minister, but equally content to retain his federal post in Kuala Lumpur. Neither was Tun Razak fully behind Rahman. True, he wanted a pro-federal government to emerge in Sarawak, but not to the extent of pushing all out for his federal cabinet colleague because of Rahman's being out of favour with Pesaka, SUPP, and, as it turned out, the SCA. Other federal personalities in Kuching took Tun Razak's lead, and although they generally assumed that SUPP would enter into a coalition with the Sarawak Alliance of Pesaka-Bumiputera-SCA, they were content to let the parties involved select their own Chief Minister, not impose one on them. Syed Kechik saw things differently. Blinded by the possibility of Ningkan's resurgence, he felt the only solution was for Rahman to become Chief Minister.

While the meeting was underway at James Wong's house on the evening on July 6, Syed Kechik and Senu met in their rooms at the Arif Hotel with Ling Beng Siew and Cheng Yew Kiew of the SCA. Although Ling had not stood for election to either a state or federal seat, he was the party's President, and he controlled the three state seats won by the SCA. The alternatives were weighed of having Bumiputera and the SCA line up with either Pesaka or SUPP. Ling was strongly in favour of Pesaka because of his party's likely fate in a coalition with SUPP. After a long, meandering discussion, Syed Kechik pressed Ling to arrange for the signatures of the SCA members to the petition endorsing the appointment of Rahman Yakub as Chief Minister. Ling displayed a bit of concern when he saw all the signatures of the Bumiputera members, and then said there was nothing to worry about. He would get the signatures the next morning. In the meantime, he would keep the document in his office for safe-keeping. Syed Kechik was angered by this ploy, and the ensuing argument broke up the meeting. Ling and Cheng stomped out, nevertheless giving assurances that they would show up in the morning. Presumably, however, they were on their way to James Wong's and had no such intention. Ling had supported the campaigns of all parties except SUPP, and Pesaka particularly was heavily indebted to him. He had also done his counting. Bumiputera and SUPP had only 23 seats between them, or so he thought, and he felt he could take his swing seats

to SNAP and Pesaka in exchange for some major concessions. Even though controlling only three seats, he wanted to be the king-maker, and if not the king, then at least the man behind the throne.

At eight o'clock on the morning of July 7, Rahman, Ong, and Yong met at the Federal Secretary's house in the company of Syed Kechik and Senu. Other federal representatives were at Tan Sri Jugah's to keep track of the goings-on there. To forestall the possibility of a Pesaka-SNAP-SCA coalition, Syed Kechik asked a senior police officer in attendance to telephone the Astana and request that the Governor not make any appointments without first clearing these through him, to which the Governor acceded. This done, he returned to the bargaining between Bumiputera and SUPP. The discussion ran quickly over the surface of many subjects, but time and again returned to the question of who would become Chief Minister. Yong and Ong related the tentative decision made the previous evening to form a grand coalition, and this placed the high bargaining cards in their hands. Rahman suggested that he had garnered the support of one of the Pesaka members, and this gave him a strong bargaining chip of his own.

Syed Kechik and Senu saw that the impasse over the Chief Minister's selection could not be directly resolved, and they diverted the subject of the negotiations to the greater benefits SUPP would enjoy in partnership with Bumiputera than with Pesaka and SNAP. The SUPP leaders had reservations about Pesaka's capacity to govern effectively, given the inefficiencies of the previous four years under Pesaka, and were aware of the superior organization, talent, and discipline of Bumiputera. They were still bitter about the treatment received from SNAP after the two parties allied themselves in the opposition in September 1966, and the possibility existed for establishing a better working relationship with Bumiputera. They were concerned about the acceptability of a Pesaka-SUPP-SNAP government to Kuala Lumpur leaders and aware of the good relations Bumiputera had with the federal government, with all the implications this would have for federal support. They were also sufficiently realistic to understand the implications of having a government

that excluded the Malays, ranging from the protracted life of the State Operations Committee to the possibility of communal violence. In addition, SUPP had desperately to rid itself of its communist image and needed the respectability that would accrue to being in government with a pro-federal party and having a minister in the federal cabinet. Moreover, the selection of Rahman as Chief Minister, instead of being cause for consternation, was something that could be turned in Sarawak's, and hence SUPP's, favour: Rahman was highly regarded by federal leaders and would be certain to pull more financial support out of Kuala Lumpur than any other candidate for the post.

Yong and Ong were being persuaded, and rather than reopen the question of SUPP's partnership with Bumiputera or with Pesaka and SNAP, Syed Kechik and Senu adopted the position that the partnership with Bumiputera was foregone and insisted that it was the best solution for both parties, for Sarawak, and for Malaysia. Syed Kechik also recommended that even if the SCA came in, only a demi-cabinet should be appointed, as had been done in Sabah in 1967. This would facilitate additional crossovers from Pesaka, desirable insofar as it would be unwise to keep both Iban-based parties outside the government and provide a velvet bludgeon that could be wielded when necessary in future. Rahman, Yong, and Ong withdrew to another room to sort out purely state matters they wanted kept from federal ears—the handling of the communists, the strategy for dealing with the federal government, the exclusion of the SCA from the cabinet, and the concessions Bumiputera would make to SUPP to palliate the sensibilities of SUPP regulars who were certain to be outraged by the seemingly total reversal of their long-standing opposition to Rahman and Bumiputera. While these were being discussed, an agreement was drafted to bind the two parties to the substance of their main points of understanding. Rahman, Yong, and Ong signed the document on behalf of their parties and requested that Senu also sign as an indication of the federal government's willingness to deliver on all those matters over which it held control. Then, they left for the Astana to request the Governor to allow them to form the government.

While all this was taking place, the Pesaka, SNAP,

and SCA members had been assembling at Tan Sri Jugah's house, but by ten-thirty they were still waiting for the SUPP members. Some speculated that SUPP might have made a deal with Bumiputera, but most were confident that the oaths of the previous evening would be honoured. Then, Tan Sri Jugah received a telephone call from Stephen Yong, who explained that he would not be coming and apologized for having backed out of their earlier agreement. Although this was disturbing, it was not cause for great alarm. Pesaka, SNAP, and the SCA still felt they had 24 members and could form a government. A few minutes later, the State Secretary called to ask for Tawi Sli's resignation as Chief Minister. Thomas Kana was on the phone, and he replied that the request was premature because they still had a majority of members. But when asked where Penghulu Abok was, Kana knew immediately that his camp had been outflanked, that he personally had been too trusting, and that once again the Chief Ministership had eluded him for want of a single seat.

After Rahman Yakub and his ministers were sworn in, Syed Kechik drafted the first press release for the new Chief Minister, emphasizing the fact that the door to the coalition government was still open and that, with this in mind, additional cabinet appointments had been deferred. The door to his hotel room was also open, and in flew Ling Beng Siew and Cheng Yew Kiew to find out what had happened. The denouement began quickly to unfold. Ling jumped on the coalition bandwagon and committed the SCA to the new government. Another Pesaka defector would be appointed as the second Deputy Chief Minister, Stephen Yong having been appointed as the first. And Tan Sri Jugah, concerned about the erosion of Pesaka through additional defections, would soon commit the support of Pesaka to the new government. Even SNAP was willing to join in, but they had become numerically superfluous and would have to wait for a time when both the state and federal governments were more willing to have them as partners. In this political drama, there were playwrights and actors, directors and stagehands —all contributing to Rahman Yakub's coup. Syed Kechik returned that same evening to Kota Kinabalu, leaving the

curtain calls to those who wanted them.

The next political test in Sabah was to be the state elections which had to be held before the end of the Legislative Assembly's five-year term in April 1972. It seemed certain there would be an organized challenge to Tun Mustapha and USNO, and the first initiative was launched by Peter Mojuntin, the USNO assemblyman for Moyog who previously had been the Secretary-General of UPKO. As a preparatory move to launching an opposition party, Mojuntin sent a long letter to the Tunku accusing Tun Mustapha 'of persecuting Christians, running a police state, and covering up dishonesty with dishonesty.' Hundreds of copies were circulated in Sabah and Kuala Lumpur. In February 1971, coincident with reopening of Parliament, Mojuntin made public his intention to form the Union of Sabah People (USAP) party. This was announced in Kuala Lumpur and in the company of numerous opposition leaders, with whom he had been in contact for some time and whose full support he enjoyed. He also had backing in Sabah, particularly among disaffected ex-UPKO members and wealthy Chinese businessmen, and was waiting only for the official registration of the party to begin organizing this support. Then, mysteriously, or perhaps not so mysteriously, the moves to form USAP were aborted. Somehow, Tun Mustapha brought Mojuntin back into line, and the young Kadazan idealist was destined once again to be the USNO member for Moyog.

With Mojuntin and his would-be party back in the USNO fold, a number of other voices issued forth from the political wilderness. Special Branch sources reported clandestine moves to form another USAP, this time an acronym for United Sabah Action Party, and by May 1971 they had come into the open with public announcements of their intention to register and stand against the Sabah Alliance. They felt they had nearly a year to get themselves organized, but their efforts were to be nipped in the bud. As a result of the May 13 incident, the federal government amended certain provisions in the Election Ordinances to shorten the period of campaigning. Legislation was also passed to amend the state constitution with a provision to appoint nine

assistant ministers and nine political secretaries, a provision which would placate more assemblymen by giving them salaries. Then, in August 1971, the first dividend distribution from the Tun Mustapha Trust of the Sabah Foundation was made, issuing $50 to each of 175,000 adults in the state.

The groundwork was being laid for snap elections—to blunt the efforts of an opposition and to blunt the authoritarian responses of Tun Mustapha to dissidence. Tun Mustapha still possessed detention powers, even though emergency regulations had been lifted for some months. This was an indulgence of Tun Razak, who was well aware of the role the wealthy Chief Minister could personally play in helping UMNO. One thing that would ensure his continuing support was allowing him to retain his powers of detention. Consequently, Tun Mustapha was unconcerned about any opposition moves. He would simply have the instigators locked up at nomination time. To avoid this, and the certain outcry this would raise internationally, Syed Kechik arranged something else.

On September 18, about 70 USNO dissidents—formerly of UPKO and presumably ready to leap to USAP—were informed that they would be going on a tour to study the forms of government practiced elsewhere in the region. Some offered mild objection, but the idea of an expenses-paid trip to Bangkok, Taipei, Tokyo, and a few other high-life cities was more than many could resist. The following day, 53 of them were bound for Bangkok and a three-week tour. On September 20, the Legislative Assembly was dissolved, the notice of elections was quickly gazetted, and nomination day was set for October 3—to which the travellers were oblivious and would remain so, insofar as their itineraries took them only to places where little English was spoken and where news on Sabah was certain to be at a minimum.

USAP was taken by surprise. They had not yet received official registration for their party, many of their key people were lost somewhere in the region, and nominations were a mere two weeks away. It seemed unlikely that approval would be immediately forthcoming from the Registrar of Societies, and when nomination day rolled around, they had no choice but to file as independents. Knowing this to be

futile and possibly fearing detention, many of them sabotaged their nomination papers. A number of candidates entered on the line allocated for their names: 'I wish to be described on the ballot paper as a sheaf of padi.' This being insufficient identification to distinguish them as candidates, they were disqualified. Those who did enter their names properly, did so without seconders or without the requisite statutory declarations. They, too, were disqualified. They apparently felt this would arouse suspicions about the tactics of Tun Mustapha and better serve their ends than would their candidacies. Many of them had, moreover, recommended that their supporters not register as unit-holders of the Tun Mustapha Trust. Those who listened did not get their first dividend of $50, and this reduced the popularity of many of the would-be candidates.

The election itself was a non-event, but one that was to have great repercussions. USNO and SCA candidates were returned unopposed in all 32 constituencies. This raised suspicious eyebrows in Kuala Lumpur and the press, reinforcing claims of Tun Mustapha's resorting to totalitarian methods. The suspicions were not entirely unfounded—a few opposition candidates had indeed been thrown in jail, and one opposition candidate had the attaché case containing his nomination papers pinched as he made his way to the nomination centre. Nevertheless, Tun Mustapha got what he wanted, the entire vote. He had the total mandate he had been searching for, albeit totally without substance, insofar as nobody voted.

If the beginning of emergency powers in May 1969 marked one change in the style of Tun Mustapha's rule, the 1971 elections marked another. The wily Chief Minister had 32 assemblymen and 16 members of Parliament under his control, and still holding detention and immigration powers, he essentially had the police under his control as well. His power in the fiefdom had became absolute. His visits to Europe became longer and more frequent. Some of his ministers were given more freedom to concentrate on business interests that would enrich them at state expense. And opponents to his rule were assuaged with the award of timber areas, made from the more than 2,000 square miles of reserves

placed under his direct control in 1970. Having more money and fewer political threats, Tun Mustapha was able to do what he wanted, without regard for the law or for federal sensibilities.

Syed Kechik, that interloper from Kedah in the eyes of many USNO lieutenants, became expendable in the political arena simply because Sabah had become apolitical. With the state government implanted for another five years without opposition, USNO could do without his advice, seen by this time as gratuitous and obstructionist. When animosity surfaced in the USNO Central Executive Committee, Syed Kechik resigned. Later, when Harris Salleh was pushing for the appointment of a Sabahan as Secretary-General of the United Sabah Islamic Association (USIA), Syed Kechik again stepped aside. And when Tun Mustapha found it necessary to placate one of his antagonists with a bit of patronage and thought the Sabah Land Development Board (SLDB) would be just the place, Syed Kechik resigned from this as well, as did Tunku Mansur shortly thereafter. About these things, Syed Kechik was not overly concerned. The dilution of his responsibilities enabled him to concentrate more fully on the Sabah Foundation and his business, and this he welcomed.

7

Apart from the Inner Circle (1971-75)

Although the objectives of the Sabah Foundation were social and economic from the outset, the motives for many early moves were undeniably political. The conception of the Foundation was announced immediately after the ouster of Stephens and Mojuntin in 1965; the first award of 1,100 scholarships, before the 1967 election campaign; the third round of scholarship awards, before the 1969 elections; the first dividend distribution of $9 million, before the 1971 elections. The Foundation was in effect an ancillary political base for Tun Mustapha—parallel to, yet separate from, the government, USNO, and the hovering pack of opportunists who placed themselves close to the Sabah Chief Minister. The power the Foundation wielded, particularly after it acquired its vast timber area in 1970, made its Chairman less vulnerable to palace coups. If Tun Mustapha were pushed from power, the Foundation would give him a base for a later return. If he were to retire from government, as he had suggested on many occasions, the Foundation would keep him in the public eye and give him a direct and enduring link with the populace. Tun Mustapha was fully aware of the political advantages inherent in the Foundation's independent development and therefore sympathetic with Syed Kechik's insistence on the Foundation's continuing separation from politics and government. But, for Syed Kechik, the political fringe benefits of the Foundation were just that.

Its real business was in social and economic development.

The Foundation could have continued to engage in essentially philanthropic activities without controversy and within the bounds of convention and expectation. It could simply have contracted out the logging of thirty square miles a year on a 100-year natural regeneration cycle and accepted the net proceeds, allocating a million dollars a year to educational programmes and distributing the balance as dividends to unit-holders of the Tun Mustapha Trust. It could have continued to do only these things, forever, but Syed Kechik saw other opportunities in the Foundation's potential. With the Foundation's 3,300 square miles of prime timber land, he sought to transform the body into a major force promoting economic development in the state.

The basic framework for this already existed—an open-ended charter for doing whatever seemed useful and appropriate. Previously, the capital had been lacking, but the expanded timber operations were to provide this. The first year of extracting timber from the new areas was 1971. Because of bad weather in the first half of the year and a depressed market in the second half, all proceeds had to be directed to the support of educational programmes and the dividend distribution. In 1972, however, market prices and production volumes both increased, and there was no stated commitment for the immediate award of the second dividend. It became possible to innovate with the substantial sums suddenly available.

One of the first things Syed Kechik did was to launch the Foundation into shipping. When the Foundation began to work its new timber areas, it immediately became the state's largest single exporter and was heavily reliant on shippers for getting its logs to the buyers' ports in Japan, Hong Kong, Taiwan, and Korea. The shipment of Foundation logs was very big business, and it seemed senseless for the Foundation not to participate in transporting its own logs. Another consideration was the practice of Japanese buyers not to send ships when prices for logs were low, to avoid having to take delivery at previously negotiated prices far above the prevailing market price structure. After being authorized by the Foundation's Board of Trustees to proceed, Syed Kechik

initiated negotiations for a joint venture with an established shipping company that had corporate relationships with one of the Foundation's buyers in Japan. Because the cargo was assured and because the Foundation was assuring this cargo, he was able to devise an agreement under which no direct capital investment was required by the Foundation. Instead, it was to provide a loan of $5 million to assist in the purchase of ships, and this was to be repaid out of operating profits. The joint-venture partner also provided a $5 million loan and, at the same time, paid the Foundation's contribution to the issued capital of the company. A Foundation subsidiary took up 49 percent of the issued capital, but with the option to buy up an additional one percent after five years, and to buy up the partner's interest after 10 years for an amount equivalent to half the value of the company's ships as determined by international valuers.

Thus, without having to invest a single dollar directly, the Foundation entered the shipping business as partner in a company which in five years would take delivery of ten vessels worth more than $50 million. There were hidden costs in the deal, of course: the opportunity costs of the $5 million loan to the joint-venture company; the preferential freight rates charged to keep the majority partner happy; and the sacrifice of management control during the first five years of operation. But these were seen as worthwhile trade-offs to enable the Foundation to enter the deal with no direct investment. In addition, other benefits accrued to the Foundation and entire state: assurances of a carrier for transporting logs to the markets; utilization of the management, capital, and technical resources of the foreign partner in the early stages of operation; and employment opportunities for Malaysians, who ultimately would take over all the job slots, from galley workers to top management.

While the shipping deal was still being negotiated, Syed Kechik launched the Foundation into property development. The Kota Kinabalu seafront reclamation was being planned in the early 1970s, and many private developers had applied for seabed areas for reclamation and development. Because of the good location and the increasing prospective demand for commercial property of all types in the state

capital, the profits from this development appeared certain to be substantial. Syed Kechik therefore applied for a 25-acre area on behalf of the Foundation, and this was awarded in exchange for a premium of just under $1 million. The site was planned for mixed commercial and residential purposes, with the first phase to consist of a series of linked blocks of shophouses, for which there was already a demonstrable demand, and subsequent phases to add a shopping complex, cinemas, parking ramps, and a pair of 12-storey apartment blocks to create a full service commercial and residential district contiguous with the main commercial quarter of Kota Kinabalu. The projected cash flow from the development was alone sufficient to secure a substantial part of the required funds from banks, and the bank loans were to be repaid from proceeds from the sale of completed shophouses. The Foundation had to put up only a relatively small proportion of the working capital as direct investment.

It was estimated that profits from the first phase of the seafront development would be more than $20 million. These profits were to be applied to construct a series of Sabah Foundation office buildings in 16 of the state's major towns and townships to house the offices of the Foundation and provide the public with libraries, conference halls, classroom facilities, hostels, art galleries, and clinics. Any space not devoted to public purposes was to be leased to commercial enterprises and contribute to the operating costs. The buildings were designed in accord with the requirements of towns in which they were to be constructed. The Sabah Foundation Headquarters building in Kota Kinabalu was planned as a 30-storey tower-block-and-podium complex having facilities for an auditorium, conference hall, theatre, library, exhibition hall, civic square, and underground car park. The other office buildings were planned as four-storey and 12-storey office blocks, with construction proceeding in line with earnings from the seafront development. The total cost of the 16 buildings was estimated at $57.5 million, all self-financed from the seafront project.

Syed Kechik's next move was to launch the Foundation into timber processing. Sabah had, for a variety of reasons, always been blocked from entering downstream timber

activities in a big way. The domestic market was limited. The operations already established in Japan, Korea, Taiwan, and Hong Kong were so efficient that the entry of small-scale producers into the regional export market was untenable. Moreover, the capital costs of establishing internationally competitive operations were estimated at $100 million. As a result, 95 percent of Sabah's timber exports were in the form of round logs, and lost with these exports were opportunities for employment, foreign exchange, and industrialization. He therefore explored the possibility of the Foundation's spearheading the development of a timber processing industry in the state.

Again, the joint-venture principle was adopted to reduce the Foundation's requirements for capital investment and to make use of the partner's technical expertise and marketing outlets. It took two years to sort out the details, but an arrangement was finally negotiated with one of the Foundation's Japanese buying partners for the long-term development of an integrated wood-based industry, with initial concentration on the production of plywood and sawn timber, neither of which requires highly skilled labour, and later diversification into the more sophisticated forms of processing and the secondary processing of such finished products as furniture and prefabricated housing. The Foundation's direct investment was $3 million, matched by the Japanese partners, with the balance being financed by banks and repaid from operating profits. The investment in all five phases of the programme was expected to total $90 million over a 10-year period, after which Sabah would be established as a fairly substantial exporter of processed timber.

Nothing had ever been done in Sabah to enter upstream activities, either—that is, the replanting of logged-over areas in timber reserves. Instead, natural regeneration was relied on for the restoration of forest resources. But 80 to 100 years is a long time to wait for land to become productive again, and even then the average annual yield per acre is very low. By planting softwoods, the restoration time can be accelerated and the yield greatly increased. On behalf of the Foundation, Syed Kechik negotiated with North Borneo Timbers, a Malaysian-based British company and one of the major

concessionaires, to establish a joint-venture company that initially would undertake the planting of softwoods and later branch into pulp and paper processing. Given the worldwide shortage of newsprint and Malaysia's annual foreign exchange bill for industrial papers, both of which seemed certain to persist long into the future, the undertaking was viable on these bases alone.

Again, the Foundation's direct investment was minimal, and the partner was responsible for all management and technical requirements. Under the terms for this joint venture, the Foundation was to provide the 250 square miles of logged-over land required for the plantations. This land was subleased by the Foundation to the joint-venture company, Sabah Softwoods, for 60 years, after which period the plantations will revert to the Foundation's full control. The Foundation was also responsible for putting up 60 percent of the establishment costs—a percentage equal to its interest in the joint-venture company—but the proceeds from saleable logs and residual hardwoods salvaged in the clearing phases were to approximate this contribution. This made the project almost entirely self-financing from the Foundation's point of view. Total investment and reinvestment in the project was expected to be about $435 million over 15 years, after which this would become the largest single commercial undertaking in the state and one of the largest in the country.

Although these commercial and industrial undertakings gave a different emphasis to the Foundation's operations, the original objectives in educational development were not forgotten. In 1972, the Foundation allocated $3 million for building hostels in 22 major towns because of the absence of living facilities for students and the difficulties of commuting from remote areas. In 1973, a branch campus of the Mara Institute of Technology (MIT), then offering professional and vocational courses to more than 5,000 students at its facility just outside Kuala Lumpur, was set up in Sabah. One hundred and fifty students registered for a range of business and technical courses at this branch, which in a few years would have an enrolment of 2,000. The Foundation provided the Kota Kinabalu hostel as a temporary campus, land for a permanent campus, and a launching grant of $5 million for its

construction. This still was not a university campus, however, so a branch campus of the National University (Universiti Kebangsaan) was established at Kinarut, 14 miles south of Kota Kinabalu, along the same lines as the agreement with MIT. In June 1974, the temporary campus was completed, and the Sabah branch of the National University took in the first students to begin a university course in Sabah.

Facilities for leisure and sports were also lacking. The state government had considered the development of such facilities for years, but the funds intended for this purpose were always allocated to projects having greater priority. Once again, the Sabah Foundation stepped in. Syed Kechik had been reflecting on the management reserves left with the concessionaires as part of the revised timber agreements negotiated in 1970. He entered into a second round of negotiations for the recovery of three-quarters of these reserves, an area totalling more than 100 square miles. Logged over a period of 10 years, the recovered timber land was expected to generate net income of nearly $100 million, all of which was to be applied to construct sports complexes throughout the state. The concessionaires agreed to release these reserves.

All this while, the Foundation's established programmes in aid to students and in dividend distribution continued. In 1974, 2,000 annual scholarships were awarded to support students in Sabah, 720 Sabah students were enrolled in secondary programmes in the Peninsula, and many other young Sabahans received loans and scholarships for university programmes in Kuala Lumpur and abroad. Also in 1974, the Foundation made its third dividend distribution, the second having been made the year before, to bring the total amount paid out in dividends to $39 million.

By 1974, the Foundation had become, with the exception of government, the largest organization in Malaysia in terms of resources applied. And large, it was not without detractors. The federal government regarded the Foundation as a threat to its influence. Because of timber, Sabah was financially autonomous as long as timber prices were high, a situation far different from the other states which were almost totally reliant on federal grants for their economic development programmes. Because of the resources available to the

Sabah Foundation, it proceeded independent of central economic planning, and this too was cause for federal concern. In Sabah, the growing financial clout of the Foundation threatened the traditional role of wealthy Chinese in politics and business, and they resented this. The Foundation's timber activities reduced considerably the influence of Chinese timbermen over politicians, and its commercial and industrial undertakings pre-empted the premier role of some top Chinese businessmen in the Sabah economy. In timber and business, they found they had to follow the lead of the Sabah Foundation.

Syed Kechik's independent style of administration courted criticism, and his personal style of flouting criticism inflamed it still further. Many wondered why the Foundation engaged in activities normally in the purview of government. Others wondered why the Foundation engaged in activities normally in the purview of the private sector. As a statutory body, it presented itself as an arm of government. As an organization having corporate subsidiaries, it presented itself as a private body. Whatever the circumstances warranted, the appropriate face was turned, with the justification that everything undertaken was for the benefit of the Trust, which ultimately was for the benefit of the Trust's unit-holders—the state's entire adult population. It is nevertheless probable that he did too little to draw others in on the details and justifications of the Foundation's activities and programmes, even though the rationale for this was to prevent its being tampered with. As a result, the Foundation was incompletely understood, hence misunderstood, and this paved the way for speculation of all kinds.

Many assumed that because other things in the state were riddled with corrupt dealings, so also was the Sabah Foundation. Many felt the Foundation was undertaking too much too quickly, particularly in a state with insufficient managerial expertise. Syed Kechik's intention, knowing that his tenure with the Foundation was limited, was to put it on a track from which it could not easily be derailed. He wanted his successors to be so fully occupied with the administration of established projects that they would have little freedom to tamper with its resources. With this in mind, virtually everything undertaken was long term in scope—the permanent

branch campuses of MIT and the National University, the integrated wood-based industries, the shipping line, the soft-wood plantation and pulp mill, the property development programmes, the sports complexes. The greatest part of funds coming in from the Foundation's timber activities was committed long into the future, not into such annual affairs as scholarships and dividend distributions which could be quickly terminated and forgotten. His goal was to commit the Foundation to $1,000 million worth of economic development programmes spread over periods of 10, 15, and 20 years. By 1975, the Foundation had embarked on projects requiring more than $750 million in long-term investment, with the bulk of the funds coming from financial institutions, joint-venture partners, and the new operations themselves. The actual investment of the Foundation in all these was but a fraction, as was the percentage exploitation of its primary resources.

The philosophy Syed Kechik adopted to deploy the Foundation's funds gave greater emphasis to indirect benefits realized through intermediate investments than to direct benefits in the form of scholarships and annual dividends. It was learned after the first dividend distribution that most recipients made consumer purchases with their windfalls, rendering these inflationary, short-lived in effect, and to the ultimate benefit of shopkeepers. If the subsequent proceeds of the Foundation had been similarly distributed, this would have precluded massive capital formation and perhaps even represented a disincentive to work. But by consolidating the Foundation's income and investing this in large-scale ventures with good income-generating potential, it was felt that far greater returns would ultimately be realized. The profits from these ventures would eventually be returned to the Trust and its unit-holders, but in the interim, the Foundation's resources would be directed to additional investment, not to the consumption inherent in the direct distribution of dividends.

Syed Kechik made certain this was possible according to the terms of the Trust. The Trustees were under no statutory compulsion to distribute all the timber proceeds as dividends, and there was provision for the Foundation to enter commercial

and industrial undertakings. Moreover, the circumstances for such investment in Sabah's rapidly growing economy were favourable. Other forces were brought to bear as well. Because of the Foundation's links with the Chief Minister's Department, it was possible to transcend many bureaucratic impediments and embark on investment programmes swiftly and confidently. Because of the Foundation's timber resources, both as collateral and as an assured income source, it was possible to enlist the support of banks and investors in undertaking high-impact projects with minimum injections of Foundation capital. With this as the basic approach, Syed Kechik exercised considerable flexibility, institutionally and financially, in the management of the Foundation's affairs.

Because of the increasing prominence of Syed Kechik's role at the Sabah Foundation, he was asked to assist numerous other public service organizations. He became adviser to the Sabah Art Society, the Sabah Drama Society, and the Sabah Cultural Society, Chairman of the Sabah Tourist Association, Trustee of the Sabah National Parks system, President of the Sabah Medical Aid Society, Secretary of the Sabah Mosque Committee, and a Director of Malaysian Airline System and Malaysian Industrial Development Finance Limited. For his public service activities, he was awarded the Panglima Gemilang Darjah Kinabalu, which bestows the title, *Datuk*, at the state's tenth anniversary celebrations in September 1973.

Also in September 1973, he was appointed by the Legislative Assembly as one of Sabah's two Senators in the Dewan Negara of the federal Parliament. Since its inception, the Senate had been only a rubber stamp expected by the Dewan Rakyat to ratify without query everything that came before it. When Syed Kechik joined, however, the Senate was beginning a transformation towards a more functional role. It is possible that his style on the floor, where he was critical of government policies, programmes, and personalities, contributed to this process. The Senate continued to be largely ineffectual, but after 15 years of perfunctory ratifications, it had begun to perform functions in accord with its power and role in the country's parliamentary system.

Despite the constraints of public life, Syed Kechik continued to pursue his interests in business. The solicitor's

work of Syed Kechik & Company had been trimmed back almost completely because of work performed gratis in managing the affairs of the Sabah Foundation and the other statutory boards and public service bodies he was associated with. And increasingly, the emphasis of his private undertakings was on timber operations and property development. After the negotiations with the 12 concessionaires in 1970, Tun Mustapha's brother, Datu Sallam, arranged for Syed Kechik to be given minority interests in three timber companies in exchange for assuming responsibility for their legal affairs and management. This enabled him to continue with the many responsibilities he already had assumed and with the work of the Sabah Foundation. But this also gave him the means to realize his plans for the development of the land at Inanam. By 1970, he had acquired 600 acres. To facilitate additional purchases, he sold off some interests in the company holding the land to two other parties, taking them in as partners and using the proceeds to buy up additional parcels. Over the next three years, property acquisitions continued, funded by the timber interests and by bringing a group of Hong Kong investors into the holding company. By 1974, they had picked up another 1,850 acres, including some state lands, all swampy and unusable in their natural condition, which were acquired in exchange for cash premiums with the understanding that a certain acreage in the project area be reserved for such public purposes as schools, parks, and government buildings.

From the outset, Syed Kechik had a grand design for the project he was to call, ZARA. During his student days in California, he had seen the development of the coastal suburbs south of Los Angeles, and many design elements of these towns stayed with him. He saw that the Inanam land could, over a long period of time and with considerable investment, be similarly converted into a commercial-residential-resort complex. The project area, comprising more than four square miles of land situated three miles from the Kota Kinabalu town centre, offered good potential. It had three miles of beach frontage looking out onto the islands dotting the South China Sea and four miles of river frontage looking inland to Mount Kinabalu, the highest

mountain in Southeast Asia. It also had a small alluvial plain well-suited to the development of office buildings, and undulating hills which could be cut to fill in the swampy areas. ZARA was designed to incorporate 5,000 hotel rooms, 14 million square feet of commercial space, and residential housing for 70,000 people, and its full development was programmed over 20 years.

Putting together the front money for this development required far more than the income expected from the timber interests and other sources. He therefore sought to leverage his income by channelling it through a commercial development in the Kota Kinabalu Seafront Reclamation project. On behalf of one of the timber companies in which he was involved, he applied for a 10-acre seabed area, and this was approved for a cash consideration of $1 million and an in-kind contribution of 2.4 acres to the government. The site was designed for the construction of a 12-storey office block, to be retained as a long-term investment, and 85 shophouses.

One thing necessary to make the ZARA project more viable was a better link with Kota Kinabalu. The existing access road skirted the swampy areas, and the distance from town centre to town centre was five miles. But by reclaiming the land along the shorefront of Likas Bay and constructing a new road, this could be reduced to three miles. ZARA, as a private company, could not undertake this on its own, so he arranged for the Sabah Foundation to undertake this, after securing the approval of the Board of Trustees. Although this smacked of an interest conflict, the chief beneficiary was to be the Foundation. Of the beachfront reclamation costs of about $4 million, ZARA contributed half and provided the fill required for reclamation at no cost. Thus, for its $2 million contribution, the Foundation would get a park and parkway linked with its park and sports complex already under construction on Likas Bay. The Foundation was also to benefit from the closer link with its proposed headquarters building. Initially, this building was planned for the Kota Kinabalu seafront area, but because of height limitations imposed by the Civil Aviation Board, an alternative site had to be found elsewhere. ZARA donated a seven-acre site, valued at $2.7 million, to the Foundation for this construction

in its project area. This again raised sceptical eyebrows, but once again the tangible benefits to the Foundation appeared greater than any intangible benefits accruing to ZARA.

The initial phasing of the ZARA development was based on projected returns from timber operations and the shophouse development. But with surpluses from the 1973 timber boom, combined with borrowings, he diversified into a series of other investments. He acquired additional land in Kota Kinabalu, Kuala Lumpur, and Alor Star for eventual redevelopment. He entered into partnership with the family of Tun Sir Henry Lee to construct a 32-storey office complex on Jalan Ampang in Kuala Lumpur. He entered into partnership with four other *bumiputra* financiers to form a merchant bank and discount house. He entered into partnership with the Urban Development Authority and two other *bumiputras* to build an 11-storey office building on Jalan Weld in Kuala Lumpur. Also in partnership with others, he bought a piece of land on the highest site in Kuala Lumpur's Bandar Raya development to construct another 11-storey office building that would house his Kuala Lumpur offices. In all these investments, he moved with his characteristic speed, but without his characteristic concentration on a single large project. He went against his dictum of not frittering away time, money, and effort on small projects, with the result that he found himself over-extended in his commitments. But, diversifications away from ZARA and Sabah seemed a prudent and necessary hedge.

By 1974, Syed Kechik was a wealthy man. It was suggested that he acquired his wealth only through his association with Tun Mustapha. In some ways, this is so. Many approvals for his various undertakings in Sabah were doubtless facilitated by his being seen as Tun Mustapha's man. But it is also probable that he would have become fairly wealthy whatever the circumstances. He could have turned his law business into an immensely profitable operation. Instead, the firm devoted almost all its efforts to the work undertaken gratis for the Sabah Foundation, for numerous other public service organizations, and for Tun Mustapha himself. He had profited no more than numerous others from the Sabah timber boom, but he made his earnings work to the maximum. This

enabled him to develop a financial base that gave him independence. The base was not yet a solid foundation, however. For this, it would take years of realizing the potential of the many keystones and building blocks. But it was sufficient to enable his embarking on his end-purpose of philanthropy. As a vehicle for this, he registered the Syed Kechik Foundation in mid-1974.

His foundation's first project was the international conference, *Malaysia in the Year* 2001, held in August 1975. This was inspired by a book, *Hawaii* 2000, which he picked up when passing through Honolulu some years before. This is the report of a conference held in Hawaii in 1970, involving people from all walks of life in the state, as well as many futurologists of world renown. Leafing through its pages, he became convinced that Malaysia needed to engage in a similar inquiry—to identify its alternative futures, to decide the direction it should embark on, to define the means by which it might best follow that direction. In early 1975, preliminary workshops were held in Penang, Kuching, Malacca, Kota Kinabalu, Kuala Trengganu, and Kuala Lumpur to evoke the concerns, fears, and hopes of the people in various parts of the country. These views were consolidated and presented to a diverse group of Malaysian planners and thinkers at a week-long conference in Kuala Lumpur to inititate discussions intended to determine the dominant concerns of Malaysians. Also in attendance were a number international dignitaries in the future business—Herman Kahn, Buckminster Fuller, Robert Jungk, and others—and some in the business of the present, like Haji Abdul Malik Karim Amirullah, the Indonesian nationalist better known as Hamka. Hamka's writings influenced Syed Kechik in the days following the Second World War, and to have Hamka at a conference he was sponsoring was the realization of a dream. But the exigencies of a changing political scene in Sabah made it impossible for Syed Kechik to attend.

8

The Birth of Berjaya (1974-75)

On the morning of July 15, 1975, a press conference was called at Kota Kinabalu's Borneo Hotel to announce the formation of Bersatu Rakyat Jelata Sabah (Sabah People's Union), the political party that would soon be known as Berjaya. Rumours had been circulating for some time, but these were common and had a reputation for coming to nothing. What surrounded this event with a sense of anticipation was that is was not a small group of dissident Chinese professionals who were forming an opposition, as had been the case on numerous previous occasions, but some breakaway members from Tun Mustapha's USNO, the dominant party in the ruling Sabah Alliance. The President of the new party was Datuk Harris Salleh, the former state Minister for Industrial Development. Also figuring prominently in Berjaya's leadership were Datuk Ghani Gilong, the federal Minister of Transport and Works and former Deputy President of USNO, Datuk Peter Mojuntin, the former state Assistant Minister for Industrial Development, and Datuk Salleh Sulong, the former state Minister for Local Government. The Secretary-General was Mohammed Noor Mansoor, the lawyer who succeeded Syed Kechik as Secretary-General of USIA, only to be later dismissed by Tun Mustapha. At the appointed hour, leaders of the new party arrived at the hotel, escorted by the police, and strode confidently into the main lounge where a table had been set up for them. In their announcement, they asserted that

Berjaya had been formed 'to unite the people of Sabah, to clean up administrative mismanagement, and to rid the state of the corrupt and dictatorial policies of Tun Mustapha.' They promised a return to democracy and a more equitable distribution of wealth and opportunities.

A palace coup was in the making. The preconditions had been there since the dissolution of UPKO in 1967, but their precipitation had always been precluded by the presumption of federal support for Tun Mustapha. This time, the opposition had the thinly veiled support of Kuala Lumpur. It was also rumoured that Tun Fuad Stephens, who returned to Sabah in 1973 to become the Head of State, was not only involved but playing a central role. Debarred from politics by the terms of his appointment, he would stay in the Istana until the time were ripe for him to descend and take over. Reporters were told that 11 members of the Legislative Assembly had committed their support to Berjaya and that another 11 were expected to cross over to them shortly after the party was launched. With Tun Mustapha out of the country and other top USNO leaders out of the state, it looked as if the coup might quickly be pulled off, a coup which more than any other single thing reflected the tensions building up between Tun Mustapha and Tun Razak over the preceding 12 months.

Tun Mustapha had been an embarrassment to Kuala Lumpur for some time. His highly publicized abuse of detention and immigration powers during the state of emergency in 1969 and 1970 was only the beginning of his pattern of autonomous action. It was commonly known that he was frequently out of the state and spending many months of the year in England. Although he had, as Chief Minister, to request the Prime Minister's permission to leave the country, he seldom did this, feeling himself to be above protocol. From these prolonged excursions, he returned only occasionally to scold his minions and replenish his supplies of cash. It was commonly known that he was one of the richest men in the world. Speculation on his wealth abounded, and reports that the income from his timber holdings brought him more than $1 million a month did not seem in the least unreasonable. His lavish life style had become legion, not only in Sabah, but in the

capitals of all Southeast Asia and parts of Europe. One of the state government's two Gulfstream jets was always at his disposal, and he raised his aspirations so far as to order a pair of Boeing 707s as well, one of which was being refitted as a flying luxury suite. It was also commonly known that he co-opted the integrity of several high-ranking federal civil servants assigned to Sabah. The typical pattern was to advance a substantial interest-free loan on their arrival, in return for which he could exact their cooperation in his various undertakings.

These were excesses that might be ignored or excused as the aberrations of a first generation politician who would soon give way to younger, better educated, more idealistic successors. It was less easy to ignore his international tampering. He was known to be supporting the Moro Rebellion in the Southern Philippines, with money at least and probably with equipment as well. The Philippines' Foreign Ministry lodged a series of complaints with Kuala Lumpur through diplomatic channels regarding the training of guerrillas on Sabah soil and the running of guns through Sabah and out into the Sulu sea. Kuala Lumpur rejected the charges as unsupportable, but the number of cargo jets flying into Kota Kinabalu in the middle of many nights, supposedly transporting pilgrims, gave credence to claims that Tun Mustapha and Libya's Colonel Ghaddafi were doing more than their share for the Muslim cause. In addition, 30,000 refugees from the Southern Philippines were permitted to settle temporarily along Sabah's coast and were supported for some time out of state coffers. This fueled speculation that Tun Mustapha was acting not so much out of his desire to help his Muslim brothers as to gain their numerical support.

Neither did all this sit well with the people of Sabah. Some of course derived vicarious pleasure and satisfaction from having a famous Chief Minister. The infamy associated with this did not touch them directly, and they felt a certain pride in being residents of a state that enjoyed international notoriety. Others, touched by his munificence and having got what they might, were his advocates for life. But many were untouched, and still others were touched in a different way. Indulging the whims of Tun Mustapha cost the state

a great deal, especially in terms of what might have been done for economic development. During the first three or four years of his rule, many solid projects were indeed undertaken, but in the second three or four, many of these ground to a halt, increasingly giving way to the prestigious. When the expenditures associated with the state visit of a peninsular dignitary totalled more than $1 million, people were disappointed that a school was not built instead. When more than $4 million was spent on Malaysia's tenth anniversary celebrations in 1973, people were disappointed that a hospital was not built instead. The government administration had fallen dormant, as state ministers and statutory body chairmen focussed on their business interests and emulated the life style of their leader. Development that did take place was the result of federal spending, private sector undertakings, and spin-offs from the timber boom. The Chinese, in particular, were affected on all fronts—political, economic, and, of no less importance, cultural. And about these things, the federal government appeared to be either uninformed or unconcerned.

That all this was possible is a measure of Tun Mustapha's effectiveness in suppressing dissent, among his supporters as much as his opponents, and in exacting the loyalty of those who worked with him. He had available some persuasive tools —timber licences, money, influence, patronage, and powers of detention and immigration. Federal leaders reliant on Tun Mustapha for financial support found themselves condoning his actions. Opponents in Sabah who persisted in publicly voicing their discontent found themselves acceding to offers of directorships and timber areas that made it worth their while to keep quiet. Lieutenants jockeying for the right to succession squabbled among themselves in scenarios written by Tun Mustapha himself. He was a masterful marionetteer, keeping his lieutenants apart, pulling them closer when it suited him, and leaving them dangling when they did not respond to his demands for compliance. He was a powerful personality, combining warmth and rancour to exact the deference of all those he came in contact with.

The 1974 parliamentary elections were the beginning of a long chain of events that were to be decisive in changing the course of Tun Mustapha's political fortunes. Tun Razak had

worked for some time to bring Datuk Mohammed Asri Haji Muda and his Parti Islam Semalaysia (PAS) into the ruling government, and this was accomplished in 1973 through the formmation of a coalition with the national Alliance Party. This presented the opportunity to create a larger framework and gave birth to the National Front (Barisan Nasional). With Dr. Lim Chong Eu's Penang-based Parti Gerakan Rakyat (Gerakan) poised to enter the National Front in early 1974, the time seemed opportune for fresh elections, particularly since these would pull the new partners closer together. USNO and the SCA, as Sabah Alliance members of the national Alliance Party, automatically became members of this new political conglomerate.

In these elections, the delivery of Sabah's 16 parliamentary seats to the ruling government was not an issue, for the National Front framework appeared certain to bring in far more than the 103 seats required for a two-thirds majority (with the creation of the Federal Territory, 10 seats were added to the Dewan Rakyat of Parliament). At issue, at least for Tun Mustapha, was keeping dissent off the streets of Sabah and continuing to confuse the absence of dissent for genuine popular support. This suggested that USNO still had only a minority power base and that Tun Mustapha continued to be insecure about the possibility of a coalition between the SCA and the former UPKO members of USNO. The core of real support for USNO was the Sabah Muslim community, and they comprised, even with new conversions, less than half the electorate. Overkill was still required.

The first challenge came from a revived United Sabah Action Party (USAP), whose dormant sheafs of padi were preparing once again to blossom. When it became apparent in April 1974 that federal elections would be held in August, they reassembled to register an opposition party. For this thrust, they had plenty of ammunition, but as it happened, ammunition they were willing to sell in the context of being threatened with detention. After payoffs ranging from $5,000 to $10,000 were made to 20 key USAP members under the guise of covering their expenses in forming the party, it was announced in mid-June that USAP, like UPKO before, had agreed to dissolve in the interests of preserving unity in the Sabah Alliance.

For this, Syed Kechik was the reluctant bag man. For some time, he had felt the need for a token opposition at least, but USNO was insistent about dissolving USAP. Syed Kechik went along with this, having one thing in mind. Tun Mustapha was talking again of giving up the Chief Minister's post he had held for seven years, alternately referring to taking something at federal level and retiring from politics entirely. He would feel comfortable doing this only if there were no opposition to cast slurs on his leadership in the state political arena he left behind. But it still appeared there would be an opposition challenge. Parti Keadilan Masyarakat Malaysia (Pekemas), under the leadership of Dr. Tan Chee Khoon in the Peninsula, was spreading its wings to Sarawak and Sabah to give it a broader base. For some months, Pekemas officials from the Peninsula had been laying the preliminary groundwork. In Sabah, they planned to field candidates for all 16 parliamentary contests, in many cases taking in those who had lost a party base when USAP dissolved. Whatever the intrinsic appeal of Pekemas, its funds were limited, its campaign would largely be door-to-door, and its chances of winning any of the seats were slim. Knowing this, Syed Kechik left the state during July, ostensibly on business, but in reality to let USNO officials prepare for elections themselves.

When he returned at the beginning of August, he found nothing had been done, a situation reminiscent of his departure and return in mid-1966. USNO regulars moved about as though nothing were in the offing, and for most of them, the elections held no significance. They felt they could not be touched, and being untouchable, there was nothing to get excited about. Neither were they willing to do anything that might jeopardize their positions in the eyes of Tun Mustapha, who doubtless would have regarded any successful organizing as a move to displace him and any haphazard organizing as cause for another public scolding. Once again, Syed Kechik and Hassan Yaacob had quickly to tune up the USNO election machine with money, instructions, documentation, and releases to the press. Nomination day was set for August 8, making it necessary to do everything in a single week, but at the end of that week, USNO and the Sabah Alliance were

prepared. So was Tun Mustapha, in his own way, and it was probably in expectation of this that USNO regulars were so lethargic.

Tun Mustapha had a flair for the dramatic. He enjoyed sweeping into situations and acting decisively to undercut whatever plans were in motion. When he flew into Sabah from London on August 7 and learned of the impending challenge from Pekemas, he assured his colleagues that the upstarts would be taken care of and might even have some difficulties getting themselves registered. Informal campaigning had begun, and fights between Pekemas and USNO supporters had broken out in many locales. Under the guise of maintaining order, a number of Pekemas candidates were rounded up and detained on the morning of nomination day. Others were intimidated by overly zealous USNO branch officials. Still others were informed that if they went to the nomination centres, they would be summarily arrested. When nominations closed at noon, only the Pekemas candidate for Tuaran had lodged his papers successfully, and even he retreated into hiding. Upon him, the competing forces of idealism and expediency were to work until, no longer to face it all, he too withdrew. Tun Mustapha had once again, with the cooperation of the police, kept dissent off the streets and delivered his 16 parliamentary seats to the Razak government. But given the new arithmetic of the National Front, his seats were by this time federally superfluous.

The question remained whether Tun Mustapha would relinquish his Chief Ministership. At a dinner in Kuala Lumpur celebrating the success of the National Front, he had a chat with Tun Razak, and in this was broached the subject of a federal ministership. Both men seem to have come away from the evening with vague and differing notions of what was agreed, but one thing was clear—Tun Mustapha was willing to join the federal government if he were offered a cabinet post of sufficient rank and prestige. He wanted the Deputy Prime Minister's post, but this was already accounted for. The Defence portfolio was open, its having been retained by Tun Razak since he took over from the Tunku in 1970, and if Tun Mustapha were to assume this post, he would rank third in the cabinet. A few days later, he wrote a formal

and confidential letter to Tun Razak expressing his availability and desire to become Minister of Defence. Word was already getting back to Kuala Lumpur that Tun Mustapha fostered notions of turning Malaysia into one of the region's major military forces by securing assistance from the Arabs. This doubtless gave Tun Razak cause for pause, but the consternation was mitigated by the many possibilities inherent in drawing Tun Mustapha closer to centre. Whatever Tun Mustapha's ideas may have been about military strategy, he would be a member of the cabinet and subject to the Prime Minister's directives. Were he to get too outrageous, he could simply be dismissed. Morever, to join the federal cabinet, he would have to resign from his state Assembly seat and his Chief Ministership. When the new cabinet was announced, Tun Mustapha was designated Minister of Defence, much to the surprise of almost everyone in Malaysia and to the dismay of almost all her neighbours.

Then, Tun Mustapha began to waffle, doubtless seeing that his wings would be clipped in more ways than one. His jet-setting to London and other points on the globe would be curtailed. His power in the Sabah fiefdom would be supplanted by the appointment of a new Chief Minister. His official role would no longer be essentially ceremonial, which he had been able to arrange as Chief Minister, but would instead be functional. Having for a change to engage in administration, he presumably was concerned about the manner in which his talents would be received at Defence. Calling in Syed Kechik for advice, he must have wanted to hear that he should hold on to the Sabah post. Instead, he received the recommendation that he join the federal cabinet. It was the third most senior position in the federal government, and he could, moreover, retain his presidency of USNO. Because the Sabah government was a party government with USNO in the lead, much in the way the federal government was a party government with UMNO in the lead, he could continue to influence affairs in Sabah without having any rugs pulled out from beneath him. But Tun Mustapha was not convinced. Number three did not sound all that grand, and having held absolute power in Sabah, he was reluctant to relinquish this, even in exchange for power of another des-

cription. His dilemma was that he wanted both positions, however impossible this may have been. Then he found a way.

Designated as Minister of Defence, but not sworn in, he prevailed upon Tun Razak to appoint a deputy who would act on his behalf while political realignments were being sorted out in the Sabah government. In the meanwhile, he retained his Chief Ministership. Dzulkifli Abdul Hamid, then a member of the federal Senate, was installed as Deputy Minister of Defence, and Tun Mustapha had the best of both worlds. Journalists, who had been writing of Tun Razak's cleverness in finally reining in the free-wheeling Sabah autocrat, suddenly revised their commentaries to write instead of the manner in which Tun Mustapha had outsmarted the Prime Minister. Tun Razak was not pleased. The credibility of his leadership was certain to diminish if the impasse were to persist unresolved. He could of course revoke the appointment, but not without offending Tun Mustapha, and this he was unwilling to do. Favours were owed in return for many things Tun Mustapha had done in the interests of UMNO, and these went far beyond the 16 seats delivered to the national Alliance in 1970.

Tun Razak was not completely stymied, for other things were afoot. In the wake of the National Front's success in absorbing dissidence and achieving overwhelming majorities in Parliament and in all the state assemblies, Tan Sri Ghazali Shafie, the Minister of Home Affairs, forwarded a proposal to create a one-party political system in Malaysia. By institutionalizing such a system, any remaining political irritants, like the autonomous actions of state-level politicians, could be done away with as well. When preliminary discussions were held, Syed Kechik was called in, presumably because it was thought he might convince Tun Mustapha of the wisdom of the set-up. The essence of the idea was that component parties of the National Front would be consolidated as a single party and rule for 25 years. The remaining opposition parties would either be incorporated or compelled to dissolve. State elections would no longer be held, and chief ministers would be appointed by central leadership after consultation with the rulers. Federal elections would be merely ratificatory, and a central executive committee would appoint the Prime

Minister. Dr. Mahathir Mohamad, the federal Minister of Education and an UMNO Vice-President, killed the notion with his outright rejection. But the exercise left Syed Kechik with the feeling that perhaps it was not so bad to have an autonomous Chief Minister in Sabah after all. Whatever Tun Mustapha's shortcomings, he was a balancing force to the power machinations of ambitious federal leaders.

With this proposal abandoned, other moves were initiated to consolidate federal power within the framework of the National Front, and the response to these widened the rift between Kuala Lumpur and Sabah. The constitution of the National Front was already much tighter than that of its predecessor, the national Alliance Party, and amendments were proposed to give the Front's central executive committee even greater powers. Tun Mustapha was unwilling to go along with these amendments, fully aware that he could be pressured under party discipline to do things contrary to his intentions. But instead of consulting with Syed Kechik, he worked with others of his cohorts less familiar with legal nuance. After two months of caustic correspondence, he rashly instructed in January 1975 that a letter be sent to National Front headquarters implying that the Sabah Alliance would withdraw from the parent body unless certain changes were made in the Front's constitution and that even if these were accommodated he would prefer that his party be relegated to associate status. Although these were simply Tun Mustapha's ploys to get what he felt would ultimately be conceded, their effect was to rub salt in the wound already opened between the National Front and Tun Razak on one hand and the Sabah Alliance and Tun Mustapha on the other. Syed Kechik saw the withdrawal ploy as a mistake propagated by Tun Mustapha's unquestioning coterie of self-professed advisers.

Tun Mustapha listened to the voices of optimism and assent because he was fast becoming trapped by deficit spending in his management of state funds and by personal extravagance with his own funds. These had been possible so long as the timber market remained strong, but when the market began to collapse in late 1974 and early 1975, Sabah and Tun Mustapha were thrown into an impending liquidity

crisis. As Chief Minister, he had approved numerous expenditures for projects that were the financial responsibility of the federal government—for television, airport expansion, and police and military facilities. His attitude was that if federal approvals and funds were not immediately forthcoming, he would make advances from state coffers. But when state revenues dropped because of the timber recession, the government was short of cash to meet its budgeted commitments—the most significant of which was the purchase of the two Boeing jets for more than $100 million. His personal finances, geared for years to the big monthly cheques which suddenly became smaller, must have been in a similar bind.

Cash short, he approached the federal government for reimbursement of the $100 million he had authorized for spending on projects in the federal purview. Unsurprisingly, the federal Treasury agreed only to reimburse for projects that had previously been approved, and this amounted to a mere $20 million. In an attempt to make up the balance and cover the costs associated with the purchase of the jets, he went outside the country, negotiating with Arab interests to float a massive petrodollar loan that would be guaranteed by the Sabah state government. Here again, the federal government intervened. According to the Malaysian constitution, government-to-government loans require the approval of the federal government, and this was not forthcoming. Desperate, Tun Mustapha began clutching at last straws to remedy his fiscal woes. In mid-February, he summoned Syed Kechik to a meeting at his house with representatives from the state Ministry of Natural Resources and the State Economic Development Corporation (SEDCO). Harris Salleh was also present in his capacity as Chairman of Gaya Trading, his multi-faceted Sabah conglomerate. Syed Kechik knew something bizarre was in the offing. One reason he convened so few meetings of the Sabah Foundation's Board was that he could never be sure when Tun Mustapha would suggest things totally counter to the activities and purposes of the body. But he was unprepared for what unfolded. Tun Mustapha announced that he wanted to form a massive corporation that would be the combined venture of the state Ministry of Natural Resources, SEDCO, the Sabah

Foundation, and Gaya Trading. This new organization, which never got off the ground, would undertake all kinds of business in a very big way—shipping, mining, wood-based industries, and anything else with good potential. The response from the assemblage was typical: *Bagus* (Good), Tun, *bagus*. The only question came from Syed Kechik, who asked what kind of corporation this would be, comprising a state ministry, a statutory body, a philanthropic foundation, and a private company. He said nothing more, letting his querulous expression display disapproval during the discussion that ensued.

Tun Mustapha knew that Syed Kechik was unhappy with the proposal and met with him alone the following day. He explained that if he did not form this corporation, he would lose Harris, who seemed on the brink of aligning himself with Kuala Lumpur in the federal government's tussle with the Sabah Chief Minister. Syed Kechik replied that, whatever the imperatives, he could not be a party to the proposed super-corporation. He pointed to the statutory bodies—that the Padi Board was $9 million in debt and that SEDCO had spent $50 million and had little to show for it. He pointed to Harris's dealings—that he had lost a lot of money on a road-building contract, that he had lost even more on a tapioca mill, and that many companies in the Gaya group were losing propositions. He pointed to the Sabah Foundation—that of everything Tun Mustapha had been associated with, it was the only viable organization; that despite federal suspicions to the contrary it was one of few things in Sabah untouched by scandal; and that it was the one thing which could preserve Tun Mustapha's name. He averred he would rather resign than be a party to the Sabah Foundation's undoing. To his surprise, Tun Mustapha did not contradict the talk of resignation, but listened for more. Expediency for personal motives had supplanted the trust in their long-standing relationship. Syed Kechik proposed that a talented officer from the state civil service understudy him for a period and then take over. A few days later, Tun Mustapha indicated his agreement with this, making Syed Kechik realize how really desperate he was.

Angered with Kuala Lumpur's defiance on the loan

flotation, Tun Mustapha asked a number of Sabah politicians to submit their opinions on the relative merits of Sabah's staying in Malaysia as against following an independent course. His motive seems to have been to force Kuala Lumpur's compliance with the loan issue, but may have gone far beyond this. Syed Kechik was asked to examine the arguments proposed, but on seeing the subject, refused to have anything to do with the exercise. At an USNO Central Executive Committee meeting on April 23, Tun Mustapha read and and circulated the paper, 'The Future Position of Sabah in Malaysia.' In this, he cited the probability of the federal government's getting far more out of Sabah's natural resources than Sabah would get from the federal government in return. He also cited the probability that Sabah's autonomy in the federal context was certain to decline over time. Although pointing to the problems associated with Sabah's breaking away from the federation, he suggested the manner in which these might be resolved. The examination was couched in vague and clumsy terms, and in itself was not a declaration favouring secession. He had invited former Prime Minister Tunku Abdul Rahman and Sarawak Chief Minister Rahman Yakub to the meeting, and their presence suggested that the proposal was a veiled threat to prod the federal government into acceding to his wishes. But a gauntlet was nevertheless being thrown.

Nobody present knew quite how to react. Those who knew Tun Mustapha knew he was capable of anything. They knew he was short of money, and that if Sabah were to break away from Malaysia he could line up hundreds of millions of petrodollars by mortgaging the state's timber and oil resources. They knew he fostered dreams of becoming a sultan, wanting to establish a dynasty and feeling that the Sulu Islands would link up with Sabah because of the help he had given them. They also knew he was oblivious to international realities, to Indonesia's fundamental opposition to the balkanization of the region, and to the manner in which the superpowers would respond. Still, the members of the executive committee rose one by one to voice their support by saying the proposal warranted further examination. Only Dzulkifli dared challenge the proposal, even though

such public defiance of Tun Mustapha was to jeopardize his political career. He drew on his brief experience at the Defence Ministry to point to the difficulties of fighting even a few terrorists, the necessity of building up a strong military at great cost and sacrifice, and the fate of other nations which followed a similar course, only to give way subsequently to military dictatorships. It was the first public challenge to Tun Mustapha's authority in a long time, and the ferocity with which the Chief Minister lashed back indicated to those present that his interest in secession was much more than a passing fancy.

Shortly after getting word of the secession paper, Tun Razak informed Tun Mustapha that his detention powers were being withdrawn and intimated to him that the time was perhaps appropriate to step down as Chief Minister. Their relationship, if inwardly strained, was still outwardly amicable, and Tun Mustapha gave his promise to withdraw from Sabah politics. The reassurance inherent in this was short-lived. Tun Razak learned that Tun Mustapha was planning to dissolve the Sabah Legislative Assembly and call for snap elections. It was suggested that if all the seats were again swept, Tun Mustapha would proclaim this as a mandate for his taking Sabah out of Malaysia. Whether it would have progressed this far will never be known. But Tun Razak was sufficiently concerned about the prospect of elections in which no party represented the National Front that he began to initiate contingency moves. He called Harris Salleh to Kuala Lumpur and told him if Tun Mustapha were to declare Sabah independent, he would himself declare an emergency, send in troops under martial law, and install Harris as the Chairman of the State Operations Committee that would assume control. At the very least, a new party had to be formed to oppose USNO and represent the National Front if elections were called. Harris responded that the only person with sufficient stature to lead an opposition was Tun Mohammed Fuad Stephens.

Over the next weeks, support for the cabal was lined up. Tun Fuad stopped in Kuala Lumpur on his way to London for medical treatment, and after discussions with Tun Razak, he agreed to provide leadership on the Sabah side.

But this was not before inquiring into Syed Kechik's position regarding these moves. Tun Razak told him that Syed Kechik would not be a factor. It must have been assumed that if Syed Kechik were not behind Kuala Lumpur, he would at least be neutral. The announcement in early May of his impending resignation from the Sabah Foundation was sufficient indication of a rift in the partnership that had kept USNO in power for so long. While Tun Fuad was in London, Ghani Gilong, the federal Minister of Transport and Works, was drawn into the plot. Dzulkifli Abdul Hamid, as federal Deputy Minister of Defence, was similarly prevailed upon, but when he balked because things were being organized outside the framework of the Sabah Alliance, he was dropped from further discussions. Peter Mojuntin and Salleh Sulong agreed immediately to come in, and they worked in Sabah with Harris to pull in additional support from the more dissident members of the Legislative Assembly. For obvious reasons, Tun Razak was not to be directly involved in the planning, and he gave authority to Abdullah Ahmad, his deputy minister, and Ghafar Baba, the federal Minister of Agriculture, Secretary-General of the National Front, and another UMNO Vice-President, to manage things on the federal side. Rahman Yakub was also enlisted because of his old ties with the federal leadership and with Harris.

Amidst all this clandestine organizing, a by-election was called in early June, precipitated by the death of the Sabah Legislative Assembly member for Keningau. This might have provided a good test for the appeal of the new party, but its development was still embryonic and to have hatched the opposition at this time would have been premature. Pekemas was in any case planning to have one of their candidates stand, and some challenge to USNO was better than none. To make sure there was no foul play, the Chairman and several members of the federal Election Commission came in to supervise the nominations. That the Pekemas candidate was disqualified in their presence indicated the fundamental inexperience endemic to amateur politicians. Syed Kechik learned that the Pekemas candidate's nomination papers were drawn up hastily and that, because of the seconder's inability to write, Pekemas workers got the signature

of his daughter on the form. After rounding up witnesses, he went to the District Office where nominations were being lodged and, as election agent for the USNO candidate, entered his complaint. The Chairman of the Election Commission was adamant about having the Pekemas candidate nominated and was at first unwilling to entertain the suggestion of irregularities. Strong words were interchanged, but in the end the returning officer had to reject the Pekemas candidate's papers. However legitimate the disqualification may have been, it was regarded as yet another example of Tun Mustapha's iron rule. And the flagrant effrontery of the Sabah Alliance candidate's having been nominated under the symbol of USNO, not the National Front, was seen as yet another example of Tun Mustapha's singular defiance.

Adding further fuel to the resolve of the anti-Mustapha forces was Sabah's refusal in signing the agreement, which the other 12 states had signed readily, with the National Petroleum Corporation (Petronas) to relinquish permanently its oil rights in exchange for five percent of the profits realized from petroleum production. True, Tun Mustapha may have suffered the occasional delusion about hanging on to the rights so that he might profit from oil in the way he had from timber. But he cloaked this with apparent concern over the irrevocability of the 'in perpetuity' clause. He felt that future generations of Sabahans might later criticize his surrender of the state's wealth to the federal government, and he wanted this clause removed. Syed Kechik interceded on his behalf and recommended to Tengku Razaleigh, the Petronas Chairman and a Vice-President of UMNO, that the agreement be rephrased such that the state's oil rights be ceded for a period of 50 or 100 years, enabling renegotiation upon expiry of the period. Kuala Lumpur was unwilling to backpedal, however, and with this added dimension, the relations between Kuala Lumpur and Sabah reached their lowest ebb since the days immediately following the separation of Singapore.

Although Tun Razak's intention was to keep the new party in the wings in the event of snap elections, optimistic reports of the support garnered from state assemblymen encouraged Abdullah Ahmad and Ghafar to propound a more ambitious plan. Because of numerous potential crossovers to

the new party, it seemed it might not even be necessary to wait for elections to launch Berjaya. Instead, the party's registration and formation could be announced in mid-July. Because of the federal government's tacit support, many fence-sitters in the Sabah Legislative Assembly would be convinced to cross over to the opposition benches. When these brought the total of opposition seats to 19 and constituted a majority, a vote of confidence would be tabled to depose Tun Mustapha and USNO. Tun Fuad would then be appointed as a nominated member, or brought in through a by-election, and sworn in as Chief Minister to head the new government. The attractiveness of this scenario was great, and its unfolding would satisfy all those involved in their desire to avenge grudges that had long been carried, not the least of which was Abdullah's enmity towards Syed Kechik. If the coup attempt were to fail, it could be attributed to Harris's impatience in jumping the gun. If the involvement of the federal government were to be made known, it could be attributed to the independent actions of Abdullah and Ghafar. Tun Razak would not be directly implicated, and so arranged, he must have given his assent.

It was not until July 10 that Syed Kechik learned about what was being planned. Previous reports dealt only with vague rumours, but suddenly these had substance. A party was being registered with the backing of the federal government, defections were being organized, financial support was considerable, and there was to be a straight attempt at a coup. He still did not believe it would unfold so quickly, feeling that Tun Razak would use the imminence of the opposition's formation as a bargaining chip to force Tun Mustapha's retirement. Neither did he believe the federal government would misapprehend the situation so completely as to think the coup attempt would succeed, feeling that it would be recognized how firmly Tun Mustapha and USNO were embedded in power. Still, there was little he could do to head it off. His contacts with federal leaders had been severed by his many years of independent and introverted action during which he did nothing to retain his links with the federal font of power. And during these years, his political enemies poisoned his credibility among top federal leaders by

suggesting he was behind everything that was wrong with the Sabah state government. As the press conference to launch Berjaya drew nearer, he received frantic calls from distraught USNO assemblymen who, having heard of the coup in making, wondered what it all meant. He told them a series of counter-moves had already been set in motion and everything was under control.

9

The Coup Forestalled (1975)

There was a quiet stir on the day of Berjaya's announcement as word circulated in Sabah's main towns, but it was not until the following day, July 16, that the full impact was felt. As issues of the morning edition of the *Daily Express*, published by Berjaya Vice-President Yeh Pao Tzu, reached homes, offices, and coffeeshops, the people of the state began to realize that a new day might be dawning in Sabah politics. Splashed across the front page with unprecedented candour were photographs of the previous morning's press conference, the full text of the formation message, and the call for the appointment of a royal commission to investigate the sources of Tun Mustapha's wealth, his management of state funds, the Boeing purchases, the near-bankruptcy of the Sabah Treasury, and his supposed negotiations for a $2,500 million petrodollar loan. Reinforcing the reports was an expose of Tun Mustapha's affairs in that week's issue of the *Far Eastern Economic Review*. One of their reporters had been in Sabah two weeks before and, having got an abundance of material from the Berjaya organizers, released a story that coincided with the announcement of the new party. Berjaya leaders, knowing the story would hit the capitals of all Southeast Asia, must have been bolstered by the satisfaction that their coup attempt was not being hatched in a vacuum. They spread out over the state, called for elections, claimed to have dissolved numerous USNO branches and replaced these with Berjaya

branches, continued their attacks on Tun Mustapha, and launched an assault on Syed Kechik, asserting that if Berjaya were to come into power, they would immediately have him expelled from the state.

The responses of USNO regulars and those intertwined with the ruling government were filled with dismay. The sudden freedom of expression stripped the secrecy off the actions of politicians and government officials, placing many of them in potentially compromising positions. Tun Mustapha was in London, and it was speculated in the context of the corruption allegations levied against him that he might never return. The tacit support of the federal government for the new party's launching was obvious, given the freedom with which Berjaya leaders were moving and speaking. It was also reported that a new police commissioner was being assigned to the state. The extent of local support for Berjaya was not known, but thought to be considerable and growing. And with top USNO leaders out of the state, there was little to stem the tide. Pro-Mustapha types were frantically phoning one another for reassurances, and finding few, were running scared. They were concerned also that Syed Kechik might pull out of the state and, knowing his central role in consolidating the power of USNO and Tun Mustapha, the prospects for maintaining the status quo must have seemed remote.

Syed Kechik intentionally deferred public action, undertaking only the minimum to hold USNO together. On July 10, he had received a report that Tun Fuad Stephens was planning to dissolve the Legislative Assembly on July 20. Knowing this to be unconstitutional, he obtained an opinion from the state Attorney-General that the Legislative Assembly could be dissolved only on the instruction of the Chief Minister and that the Head of State could be removed from office by a two-thirds vote in the Assembly. He also acted to slow moves that may have been afoot to accept Berjaya into the National Front. If Berjaya were in and USNO out, the new party's bargaining position for enticing defections would rise considerably. The following day, he flew to Penang to inform the Tunku of recent developments and enlist his assistance in getting federal leaders to desist in their open support of Berjaya.

Then he flew to Kuala Lumpur, where he met separately with Tengku Razaleigh and Ghafar Baba to point our the fecklessness of Tun Fuad's dissolution ploy and urge them to dissuade Tun Fuad from proceeding. He was concerned that if things got out of hand, the situation might be a repeat of the Sarawak constitutional crisis in 1966 and end up with federal government's declaring a state of emergency to shape the outcome to their liking. This had to be forestalled. Tengku Razaleigh was receptive to his requests. Ghafar Baba was not. He said he knew about the opinion of the Attorney-General, he knew the Head of State could be dismissed for having engaged in politics, he knew this could be an embarrassment to Kuala Lumpur, but he knew how to displace Tun Mustapha. There was little Syed Kechik could say to a man who seemed to know everything, so he returned to Kota Kinabalu.

After Berjaya announced on the morning of July 15—an event Syed Kechik was unprepared for until it actually happened—he contacted all the USNO assemblymen to urge them not to be overly concerned about Berjaya and to hold firm behind USNO and Tun Mustapha. He held off on his usual public statements, however. This was not because he was undecided whether to back Kuala Lumpur or Tun Mustapha in yet another round of state-federal power tussles. His posture on the matter was already riveted. He empathized with Kuala Lumpur's motives for moving to displace Tun Mustapha, but he disagreed completely with the way they were going about it. He could not reconcile their going behind Tun Mustapha's back without first consulting him. Whatever Tun Mustapha's shortcomings, there was a proper way to depose him and an improper way. In Syed Kechik's mind, Kuala Lumpur had opted for the improper way. He therefore decided to do what he could for Tun Mustapha, not to keep him in power forever, not to enable him to continue with his excesses, but to set the stage for a graceful exit. The other factor involved was loyalty. He had tacitly supported Tun Mustapha for years, trying to do things within the context of Tun Mustapha's chequered rule that would benefit Sabah. To discard this loyalty suddenly, because of a new turn of events, ran against his grain.

Before doing anything concerted, he wanted assurances

from Tun Mustapha that all the talk about secession would be forgotten. If Tun Mustapha committed himself to Malaysia, he would do everything in his power to give the man an honorable exit on his own terms and in a way consistent with the power realities that seemingly had been ignored by the federal government in their backing of Berjaya. Waiting had advantages. USNO regulars were shaking in the boots of their leaderless insecurity, and he wanted them to shake a bit longer to impress upon them the political house of cards in which their arrogant actions resided. Prolonged shaking would also make them realize they were neither invulnerable nor independent of the organizing and strategic manoeuvrings of Syed Kechik, as they had in recent years proclaimed to all and sundry on so many occasions. Waiting would also instill a false sense of confidence in the Berjaya leaders. He knew they were over-confident already, given the boldness of their announcement, and to allow them build an even larger shell of false confidence would make it all the easier to cut them to the quick when the time came.

Tun Mustapha had been contacted in London on July 10 and was scheduled to arrive in Penang by way of Jeddah on July 17, where he would consult with the Tunku before returning to Kota Kinabalu. Early on the morning of July 17, Datu Aliuddin, the USNO Secretary-General and Tun Mustapha's brother, got together a number of USNO assemblymen, some staunch in their support and others not, and flew them off to Penang in the state's other executive jet so they could meet with Tun Mustapha on his arrival. And there they waited. Another reason Syed Kechik issued no retaliatory statements to counter the thrusts of Berjaya was that he wanted Tun Mustapha to share a bit of the insecurity felt by his minions. During past crises, Tun Mustapha's morale had always been lifted by the strong statements issuing forth from Syed Kechik, but this time he would be left for the moment unsupported. When the Tun's jet touched down at Bayan Lepas in Penang, Syed Kechik asked an USNO official to go up into the plane and tell Tun Mustapha to emerge with a confident smile. The reasons for this were to give the Sabah Chief Minister the impression that the situation was so bad he would have to adopt a facade and to give the public the

impression that the facade of confidence was real.

Tun Mustapha came out of the plane with a smile, but it was strained. He had just awakened. And there to greet him were reporters and photographers put in place to get statements and photographs which could be distorted to downgrade his image. He was whisked away to the Tunku's house, where Home Minister Tan Sri Ghazali Shafie awaited him as the representative of the federal government. It was explained that Tun Razak and the National Front agreed to the formation of Berjaya because of concern over the secession paper and the prospect of snap elections. The federal government knew elections were imminent, and they wanted to provide the people of Sabah with an alternative so their wishes could be voiced. If there were no other party, then there would be no real choice, and it was the responsibility of the federal government to protect that element of choice. Tun Mustapha accepted the rationale and explained away the secession business as simply being his way of testing his opponents. He asked who was involved in Berjaya and was upset to learn that Tun Fuad and Harris were among the key figures.

Whatever doubts may have existed about Tun Mustapha's willingness to return to Sabah and jump into the fray were eliminated when he arrived in Kota Kinabalu on July 19. Full of confidence, hugging everyone in reach, laughing and joking, he was a returning champion, and his return was tantamount to a victory celebration. Going directly to the state capital's community centre, he addressed a gathering of more than 1,000 confused USNO members and, after an hour of contrite and innocent persuasion, won them all over to his cause. Repairing to his house with USNO leaders, he ranted about the backstabbing moves of his former colleagues and the manner in which they could be crushed. He was ready to fight anybody, whether in Kota Kinabalu or Kuala Lumpur, and his confidence spread rapidly through the party's ranks. Statements were issued to recast the secession paper as merely exploratory and to assert that further exploration had been proposed and ratified by the same people who were now distorting its import as members of the nascent Berjaya. The obvious involvement in politics of the Head

of State, who owed his position to the interceding efforts of Tun Mustapha himself, was criticized. The obvious involvement of federal leaders in state politics was decried as the tampering of ambitious politicians anxious to earn the plaudits of their Prime Minister. Berjaya's call for a royal commission to investigate irregularities in administration was mocked, and it was suggested that the affairs of the Berjaya leaders themselves, many of whom had been directly involved in the state government, should be examined first. If things were amiss, they were implicated by association.

While all this was done to placate the public, moves were afoot to consolidate support within the Sabah Alliance and to pull back some of the flock that had gone astray. Tun Mustapha's return was alone sufficient to secure the support of many wary fence-sitters who were assessing the camp in which they might be better off. Calls made to those who had already announced their backing of Berjaya won back some who recognized the favours they still owed to Tun Mustapha and the consequences of their continuing recalcitrance. By the end of Berjaya's first flamboyant week, their claims of having the solid support of 11 Legislative Assembly members and the likely support of 11 more were ringing hollow in the context of proclamations by assemblymen of their support for Tun Mustapha, USNO, and the Sabah Alliance. Of the original 11, only five remained with Berjaya. But it was nevertheless clear that if the federal government were to come down strongly behind Berjaya, by declaring an emergency or by accepting Berjaya to the National Front while at the same time disavowing USNO, the winds of opportunism would send many flying back into the arms of the opposition.

Syed Kechik advised Tun Mustapha to announce on July 23 that a meeting of the Legislative Assembly would be called as quickly as possible to consider two main orders of business. A vote of confidence in the ruling government would be called to refute the claims of support being made by Berjaya and to convince the federal government of USNO's intrinsic strength. Also to be tabled was a motion that the question of Sabah's separation from Malaysia would never be raised in the Assembly or in Sabah and that the federal Parliament would be urged to amend the Malaysian con-

stitution to give effect to this resolution. This would satisfy federal leaders that whatever notions Tun Mustapha may fleetingly have harboured about secession were set permanently adrift in a sea of resolute federalism. Syed Kechik knew that the solution to the Berjaya crisis resided not in Kota Kinabalu but in Kuala Lumpur, for without federal support, Berjaya was impotent. Unable to take on both adversaries for a protracted period, he had first to neutralize the position of the federal government. With things set in motion in Sabah, he flew to Kuala Lumpur on the evening of July 23.

As soon as he arrived, he got in touch with the Deputy Prime Minister, Datuk Hussein Onn, and explained that federal leaders did not have a perfect understanding of the dimensions of Sabah politics. If things were mishandled, they might have a civil war on their hands. Tun Mustapha, if pressed, might bring in rebels from outside Malaysia or simply arm some of the more than 30,000 refugees already in Sabah. Federal forces would doubtless prevail, but the blood-bath had to be averted. Syed Kechik also explained that Berjaya leaders were no band of angels and that what Kuala Lumpur interpreted as an idealistic thrust for greater democracy was in fact opportunistic to the core. The business involvements of each of the Berjaya office bearers were recounted, together with their intrigues to dispose of Tun Mustapha. Their patent misleading of Kuala Lumpur was also brought to light. Whereas Harris had reported the enlistment of more than 4,000 former USNO members in the new Labuan division of Berjaya, he had in fact enlisted only a few former USNO division chairmen, assuming this tantamount to the enlistment of all division members. The same was true for Berjaya's claims about other constituencies throughout the state. Datuk Hussein was sufficiently impressed with this new information to arrange a meeting the following evening for Syed Kechik and Dzulkifli with the Prime Minister.

Prior to this meeting, Syed Kechik contacted many of his old cohorts and learned that the support of federal leaders for Berjaya was by no means uniform and that there existed considerable diversity of opinion as to how the fray should best be resolved. Some did not even seem concerned about the prospect of a blood-bath in Sabah, thinking that in its

aftermath the Prime Minister would lose stock and have to give way to the power aspirations of those below him, just as former Prime Minister Tunku Abdul Rahman fell from power after the May 13 incident in 1969. Others were content to let the crisis be resolved at state level. Still others were adamant that Berjaya should be supported in its takeover bid. But the central issue was the future involvement of Tun Mustapha in Sabah politics. If Tun Mustapha were to withdraw, a formula could be worked out in which both parties would continue to exist. This would weaken the monolithic defiance of Sabah vis-a-vis the federal government and strengthen considerably the control of Kuala Lumpur over this wandering state whose autonomy was inspiring other states to reassess their rights in the federal context.

In the meeting of July 24, three things were at issue: the future of Tun Mustapha, the membership of USNO and Berjaya in the National Front, and the future of Tun Fuad as Head of State. Tun Razak was adamant that Tun Mustapha had to go, and he insisted upon his immediate resignation as Chief Minister, President of the Sabah Alliance, and President of USNO. Syed Kechik said this had to be done gradually to avoid having things blow up in their faces and that he would be able to effect this gradual withdrawal. Tun Razak wanted to expel the Sabah Alliance from the National Front, by invoking the withdrawal letter Tun Mustapha had sent to Front headquarters the previous January, and take Berjaya in their place. Syed Kechik said that the National Front should defer its decision on the membership of both parties and wait until they had seen the manner in which Sabah politics were developing. Tun Razak wanted Tun Fuad to stay on as the Head of State, feeling that if he resigned, this could be construed as an admission of his involvement in the formation of Berjaya, an admission which would cause no small amount of embarrassment to UMNO and federal leaders. Syed Kechik said that USNO, with its two-thirds majority in the Assembly, would have no difficulty in forcing Tun Fuad's ouster. Kuala Lumpur would emerge less scathed if Tun Fuad were asked to resign.

After Syed Kechik articulated the many things he related to Datuk Hussein the previous evening, Tun Razak

softened his position in the understanding that many miscalculations had been made. He agreed that Tun Fuad would be asked to resign, and this was timed for July 28. He was also willing to defer action on National Front membership, but this was contingent on Tun Mustapha's compliance in resigning from all three of his political leadership posts. Syed Kechik appealed that it would be impossible to have him resign immediately, but that they might instead get resignation letters post-dated to October 31. He wanted a month to arrange this. Tun Razak gave him one week. If these resignations were secured, however, the federal government would become neutral and advise the national newspapers to adopt a similar stance.

Syed Kechik and Dzulkifli returned on July 25 to Sabah and went straight from the airport to Tun Mustapha's house. After exchanging their salaams, Syed Kechik told Tun Mustapha point-blank that he had to resign. The suddenness of the words shocked the three of them into a brief silence. Syed Kechik continued that the resignation did not have to be effective immediately, but only after a while. A letter of resignation could be post-dated to October 31, 1975, satisfying federal leaders of Tun Mustapha's commitment to withdraw and enabling him to save some face by not having this tied directly to the Berjaya challenge. He might also be able to hold on to his presidencies of USNO and the Sabah Alliance, resigning from these only later to save a bit more face and retain a bargaining chip in the negotiations for membership in the National Front. And because of Tun Mustapha's growing distrust for Tun Razak, the resignation letter would be held by the Tunku. There was no hedging in the discussion. Tun Mustapha told Syed Kechik if that was what he thought best, the decision was up to him. He would step down as Chief Minister. Syed Kechik had the resignation letter typed in his office and brought it to Tun Mustapha for his signature the following morning. With the signed letter in hand, he flew back to Kuala Lumpur.

Datuk Hussein was taken aback by the speed with which the letter was procured, and he got on immediately to Tun Razak who was in Cameron Highlands. They arranged to meet at Federation House in Penang, where they were all to

fly by military aircraft. At first, Tun Razak was unhappy that Tun Mustapha was resigning only from his Chief Minister's post and said this was not enough. Given the party nature of the Sabah government, like UMNO's role in the Peninsula, Tun Mustapha would still be able to run things from his party leadership posts. Tun Razak was resolved to get Tun Mustapha out of politics completely. Conversation digressed over lunch, and when this returned to business, Syed Kechik asserted that getting resignations from all three posts at once was impossible. It had, as he said before, to be done gradually. Datuk Hussein was the first to agree, drawing the analogy of a patient able to take one jab from the doctor without flinching, but not three jabs at the same time. In the wake of the laughter this light note injected into the discussions, Tun Razak became more expansive and conciliatory. He agreed that whittling away the Chief Ministership was sufficient for a beginning, provided the two party posts would also be whittled away once other matters were resolved. He was unhappy that the letter was being held by the Tunku, thinking that as number one in the country he should possess it, but finally he agreed to this as well. Berjaya would not be accepted into the National Front, and federal politicians would phase out their support for Berjaya, urging the antagonists to drift from politics into the oblivion of their business pursuits which seemed to pre-occupy them anyway.

The new Head of State, Datuk Mohammed Hamdan Abdullah, was sworn in on July 28, and his first official task was to inform the Speaker of the Sabah Legislative Assembly that a meeting should be called at the earliest possible date, August 11. Syed Kechik hoped Kuala Lumpur would stay out of the fray from this point forward, but further reassurances were still required. Ghafar Baba, presumably distressed that Berjaya's life line was being cut, had announced on July 26 that the Sabah Alliance was not necessarily a member of the National Front and that Berjaya's application for membership was being considered. Syed Kechik wanted to be certain that this was merely the unilateral action of a man who was highly prejudiced against the Sabah Alliance. Another meeting was held on July 30 at the Prime Minister's residence in Kuala Lumpur. Tun Razak was also unhappy with

Ghafar's announcement, but it did give him certain leverage in being able to defer the decision on membership until such time as it best suited Kuala Lumpur, not the Sabah Alliance. Tun Razak also wanted the public announcement of Tun Mustapha's resignation as Chief Minister to be made fairly quickly, as well as verbal assurances regarding his resignations from the party presidencies. The main reason for this was that Tun Mustapha's administration was likely to be raised by the opposition in the upcoming budget debate in the federal Parliament. If Tun Mustapha were publicly planning to step down, Tun Razak could brush the query aside by saying that because the Sabah Chief Minister was leaving the scene, the federal government had no further responsibility in the matter. Syed Kechik told Tun Razak the public announcement would be made as soon as practicable and the other resignations would be forthcoming once membership in the National Front was resolved. He also requested that a ban be imposed on meetings in Sabah to restrict the branch-forming activities of Berjaya.

With Kuala Lumpur's involvement in Sabah politics thus neutralized, Syed Kechik returned his attentions to Sabah itself. As it developed, Berjaya leaders had turned their attentions to Syed Kechik and were attacking him at every opportunity. After Tun Mustapha's return to Sabah, it was apparent to Berjaya that Syed Kechik and Dzulkifli were still backing USNO and represented the key obstacles to their takeover bid. They regarded Syed Kechik as the more formidable, and set out to destroy his political credibility. Chong Thain Vun, the independent who lost to Datuk Khoo in the 1967 elections and was detained in 1969, was Berjaya's chief strategist, and it is possible he studied the tactics earlier employed by Syed Kechik to turn these against him. The *Daily Express* and the Chinese-language *Overseas Chinese Daily News*, also owned by Yeh Pao Tzu, initiated a character-assassination campaign, asserting that the man from the Peninsula had grown rich from his involvement with the Sabah Foundation, that he was running the state, and that Tun Mustapha was his puppet. Syed Kechik was thus thrust into the Sabah political limelight, a distinction he had consciously avoided for many years. Before the formation of

Berjaya, he was virtually unknown outside political circles, and then only as a lawyer and as Director of the Sabah Foundation. Suddenly he was a central figure, and he did not enjoy the notoriety. Berjaya releases depicted him as the man behind the throne, and media outside the state and country were beginning to comprehend the accuracy of the description. The Singapore *Straits Times* ran one feature article that described him as the shadow Chief Minister of Sabah, and another, as the invisible Prime Minister of the state. The *Far Eastern Economic Review* and other weekly journals began to mention him more frequently in their analysis of the Sabah political scene. The cover nurtured since he first arrived in Sabah had been lifted.

Syed Kechik had attributed almost everything he undertook to the initiative of Tun Mustapha, and the arrangement suited the purposes of both men well. As a result, Tun Mustapha never regarded Syed Kechik as a threat to his power. He kept the activities of his adviser well hidden, and this gave Tun Mustapha the apparency of being active, capable, and forceful, even though he was out of the state much of the time. With Syed Kechik's sudden ascent into the public eye, however, Tun Mustapha must have begun to view his adviser's motives with greater suspicion. Although none of this was the doing of Syed Kechik himself, the threat this represented to Tun Mustapha must certainly have altered his regard for his long-time associate, particularly in the context of his near total dependency on Syed Kechik during the early stages of the Berjaya crisis. Syed Kechik's instrumentality in Tun Mustapha's power base was becoming increasingly obvious to all concerned, including Tun Mustapha himself.

In the midst of the campaign against Syed Kechik, there was no let up in the attacks of Berjaya's papers on Tun Mustapha, Dzulkifli, and other personalities associated with the ruling government. All this had currency in the minds of people who had long been kept in the dark about everything dealing with the state government. For this reason, it was impossible to assess the degree of grass-roots support for Berjaya. And for this reason, it was impossible to be sure of the loyalty of USNO and SCA Legislative Assembly members. Berjaya had been infecting anyone who would listen to their

invective, and it seemed that many Sabah Alliance stalwarts were waiting for the opportunity to jump to the opposition. The best arena for doing this was the Assembly itself, at the time of the vote of confidence. The risks involved in individual pronouncements of support for Berjaya were great, but to make these *en bloc* would rest compatibly in the minds of insecure politicians. Concerned about last minute defections, Tun Mustapha packed off 16 USNO assemblymen on August 6 for a tour of the Middle East, to keep them away from temptation until immediately before the session on August 11.

Also on August 6, political rallies and meetings in the state were banned by the Commissioner of Police. This hit Berjaya hard. They had failed in their attempt at a straight coup, and their supporters in the Assembly had dwindled from 11 to five. They had failed in their ploy to dissolve the Assembly and call for elections. They had thus far failed in their application for membership in the National Front, even though immediate entry had been promised them by Ghafar and Abdullah Ahmad. They had also failed in retaining even the tacit support of the federal government. Their only remaining vehicles for mustering support were their newspapers and their branch formation meetings. Debarred from meeting, they were left with their newspapers and, having over-estimated their party's potential, they had to begin to create news. They announced that one Berjaya member of the Assembly would resign every two months in order to demonstrate the party's appeal with the electorate. This appeared futile. The ruling government did not have to call elections for another 18 months, and in the intervening period it seemed probable that Berjaya would simply disappear. But the fact that 16 USNO assemblymen had to be removed from the state to exact their loyalty in the confidence motion indicated there was still some substance to the Berjaya threat.

The August 11 Assembly session went off as expected. The confidence motion was passed with five Berjaya votes against, as was a motion to censure Tun Fuad for his political activities while holding the position of Head of State. The non-secession resolution was also passed, with five Berjaya

abstentions. These resolutions superseded Berjaya's claims of support and removed secession as a political issue of contention. The opportunity was also taken to bring in some new appointed members, realign the cabinet, and replace the ministerial positions left vacant by those who resigned to form Berjaya. The most notable of these was the appointment of Dzulkifli Abdul Hamid, who resigned his federal post to take up one of the nominated seats in the state Assembly, as state Minister of Finance. This left the question of membership in the National Front as the only string untied.

On August 14, a delegation of USNO ministers and officials went to Kuala Lumpur to meet with federal leaders and see if this could be resolved. Tun Mustapha did not join the delegation, but with his confidence bolstered by the support he received in the Assembly, he was once again feeling defiant. He instructed the delegation to adopt a demanding approach. He must have felt that if he could not get along with federal leaders, no one from his party should get along with them. It was a shrewd move on his part. Had the meeting been cordial, this would have been a definite plus for Tun Razak, indicating his ability to work with USNO's up-and-coming leadership. But if there were animosity on both sides, this could be interpreted not as Kuala Lumpur's being against Tun Mustapha, but as Kuala Lumpur's being against all Sabah—with the exception of Berjaya, of course. This would also imply that considerable support had been consolidated around the person of Tun Mustapha.

The main agenda item for this meeting on August 14 was membership in the National Front. Tun Razak and other federal leaders met in the morning with a Berjaya delegation, and the message given to USNO in the afternoon was much the same: no immediate decision would be taken with regard to the acceptance of either party, and many more meetings were necessary to iron out the details. Tun Fuad, doubtless stung by the unfulfilled promises of Ghafar and Abdullah Ahmad, released to the press a statement saying his discussions with Front leaders confirmed without doubt that Berjaya had been accepted. He may have been trying to force their hand, or he may simply have misconstructed their actual position, but the move damaged his credibility with federal leaders

and the Sabah public. After seeing the papers carrying Tun Fuad's statement the following day, Syed Kechik and Tan Sri Said Keruak, the Sabah Deputy Chief Minister, got back to Tun Razak to find out if they were being duped. They were not, and Tun Razak gave them his approval to issue their own release stating that discussions regarding the acceptance of both parties were still under way and seemed likely to continue for some time. Tun Razak agreed that the Front's headquarters would make a similar clarification.

Syed Kechik also requested that Tun Razak call a moratorium on the attacks that had been filling the pages of the Sabah press. Tun Mustapha was annoyed with the revelations of his rule and expressing privately that if these were to continue he might not resign after all. The attacks on Syed Kechik were becoming increasingly malicious and were increasingly bringing his activities with the Sabah Foundation into question. And press statements were beginning to have racial and religious overtones, particularly undesirable because there was still talk about the possibility of skirmishes developing into riots or even civil war. Tun Razak was willing to urge this moratorium, but only if another letter indicating Tun Mustapha's resignation as Chief Minister were deposited with him. So, when Syed Kechik returned to Sabah, he had another letter typed, explained its purpose to Tun Mustapha, got his signature, and delivered it to Tun Razak in Kuala Lumpur a few days later. Having received this, Tun Razak agreed to contact Tun Fuad and Harris and ask them to keep personal attacks out of their press until the end of October, but not without first asking Syed Kechik when Tun Mustapha's resignation as Chief Minister would be announced and when his resignations from the other key posts would be forthcoming. Syed Kechik told him, soon.

The resignation announcement had to be made quickly for other reasons. A number of USNO assemblymen were still prepared to shift their allegiance to Berjaya, and one of their sore points was that Tun Mustapha, instead of withdrawing, seemed to be starting to kick again. Bolstered by his recent successes, he complained that he did not want to give up the Chief Ministership. He had become accustomed to the ceremony of his office, and he did not relish the idea

of having to give up these superfices of grandeur to an underling. That he might retain his special status in the state and the many perks of his office was a concession that had subsequently to be drawn into the resignation agreement. This could only be done by passing a bill in the Assembly, a move which would certainly trigger speculation about his as yet undisclosed departure. Consequently, the resignation announcement had to be made about the same time as the Assembly session in which the pension bill was to be tabled. The Assembly had to meet anyway, for debate on a supplementary bill, and this was set for September 4. To coincide closely with this, an extraordinary general assembly of USNO was called for September 3, at which Tun Mustapha announced he would resign as Chief Minister on October 31 and implied he would give up his party presidencies once the question of membership in the National Front was settled.

The other thing to prepare for was succession. Tan Sri Said had for years acted as Chief Minister in the absence of Tun Mustapha and was to step into the lead role. This made the appointment of the new deputy more important than that of the Chief Minister, because of its long term implications for the course of Sabah politics. Syed Kechik wanted Dzulkifli to get the post, thinking he was the best educated and most administratively oriented of the candidates. But because of Tun Mustapha's antipathy for Dzulkifli since his open defiance at the April 23 meeting, this was impossible to push through. Tun Mustapha, as President of USNO, had the final say, and he wanted a person who would not only be loyal, but willing to stand aside in the event of a later comeback. The choice had to be made quickly. At the time, the preference of Kuala Lumpur leaders for the heir to the Sabah throne was Ghani Gilong. If there had been a vacuum, they might have prevailed on the sensibilities of many to have him installed. In addition, a number of long loyal USNO leaders thought they deserved to be elevated themselves—if not to the number one slot, at least to number two—and if they were passed over, their discontent could be exploited by Berjaya. To avoid the divisiveness of an interlude of uncertainty, Syed Kechik wanted the deputy's selection announced at the same time as Tun Mustapha's resignation and Tan Sri Said's designation

as Chief Minister. Because of the apparent unacceptability of Dzulkifli, he pushed for the appointment of three deputies—to separate the powers of the position, to make future succession less than clear-cut, and to give representation to the main ethnic communities in the state.

The housekeeping matters to set the stage for Tun Mustapha's departure were handled at the September 4 session of the Legislative Assembly. The bill providing for his pension and perks was one of these. Some amendments to the Sabah Foundation Enactment were also tabled. The primary intention for these was to safeguard the forest reserves assigned to the Foundation, but it was also seen necessary to provide for continuity in the event Berjaya came into power or USNO successors entertained ideas about changing the Foundation's structure. The number of Trustees was increased by two, enabling the appointment of Syed Kechik to the Board, and the terms of the Trustees' appointments were changed from three years to five. Syed Kechik knew this would raise an outcry from Berjaya, but he was unwilling to see everything built up over the preceding decade cut down in a single swath. The last matter was the impending retirement of the Speaker of the Assembly. It had already been decided that Datuk Haji Momen Kalakhan would take over as the new Speaker, but given his inexperience in parliamentary procedure, it was seen necessary to have a Deputy Speaker to prop him up during his first few months. One person qualified for this was Syed Kechik, and he was appointed as a nominated member of the Assembly and as Deputy Speaker, with the understanding he would step down as soon as qualified Sabahan could assume the post. This raised another outcry from Berjaya, not so much because Syed Kechik was a naturalized Sabahan from Kedah, although they would certainly make considerable capital of this, but because he would be able to block many of their ploys on a procedural basis and at the same time facilitate the moves of Sabah Alliance assemblymen. The debate during the session was heated and not strictly to the point, focussing more on the motives and character of Syed Kechik than on the bills themselves and manifesting the long-standing antipathy of Harris and Mojuntin for Syed Kechik.

The moratorium requested by Tun Razak was short-lived, as neither side was able to restrain itself in the aura of hostility that persisted. Syed Kechik's appointment as Deputy Speaker incited another series of attacks on his earlier activities, focussing on his role with the Sabah Foundation. At the September 4 session of the Legislative Assembly, Berjaya members asserted that the Foundation was rivalling the pre-eminence of the state government because of its rapidly growing income, speculating in the share market, selling its logs below the market price, and holding unwanted shophouses in the seafront reclamation project. A Berjaya division chairman alleged at a public meeting that Syed Kechik had purchased 10,000 acres at Kinarut for $100 an acre, only to resell much of this land to the Foundation for $2,000 an acre. Another Berjaya official asserted at a branch meeting in Sandakan that, although Tun Mustapha was resigning, it was still necessary to topple Syed Kechik because the Foundation had usurped the position of the Chinese in Sabah. An article in the *Overseas Chinese Daily News* inquired into the disposition of the recovered timber reserves not assigned to the Foundation and pointed to the three companies in which Syed Kechik was involved, with the imputation that he had been one of few beneficiaries of the timber lands which came under the Chief Minister's control in 1970. And in both Berjaya papers, caricatures portrayed Syed Kechik to suggest that he had mismanaged the Foundation. In response to these allegations, Syed Kechik sought and obtained High Court injunctions to prevent the Berjaya papers from publishing additional caricatures and defamatory materials without substantiation. He concurrently filed libel suits against the publisher, who subsequently denied that the caricatures were intended to represent him. He also recommended that his critics pass on their allegations to the National Bureau of Investigation so that the charges could be properly investigated. They never took matters this far and were content instead to let the insidious comments wreak the damage they might by casting his actions in suspicious light.

As October 31 drew nearer, Tun Mustapha continued to look for a way out of his commitment to resign. Most of

those he came in contact with urged him to stay on, and these were the words he wanted to hear. But he knew these to be the encouragements of those who would benefit from his power, not those who could ensure it. The decisive voice was Syed Kechik's. Each time Tun Mustapha was implored to stay on, he cast a glance at Syed Kechik in the hope he would get the nod, knowing that without Syed Kechik's assent, he would be rapidly and ignobly toppled. He was ready to fight Kuala Lumpur and Berjaya. He had his confidence lifted by the scenario that had unfolded over the previous three months. But he knew he needed Syed Kechik behind him. The nod was not forthcoming.

On October 31, Tun Mustapha stepped down as Chief Minister of Sabah. The following day, Tan Sri Said was sworn in as his successor, along with three Deputy Chief Ministers: Datu Aliuddin, Datuk Herman Luping, and Datuk Pang Tet Tshung. Tun Mustapha ruefully noted after the installation ceremony that it was very easy to promote people, but once promoted, very difficult to demote them. That was the point. The new cabinet would consolidate themselves over the next year to enter elections in late 1976 from a position of reasonable strength. Tun Mustapha would continue to pull strings as President of USNO, but these would become increasingly frayed with the passage of time. Berjaya in the meantime would hang on, watching their political base dwindle and their chances for assuming the reins of government grow increasingly slim. But it seemed unlikely Kuala Lumpur would let Berjaya disappear completely. The federal government was the chief beneficiary of this power struggle in Sabah, and Berjaya was still their trump card in forcing Tun Mustapha to honour his commitment to withdraw. The Tun Mustapha chapter of Sabah politics seemingly had come to an end.

With Tun Mustapha out of government, Syed Kechik knew it was important to test USNO's strength in the electorate. To go directly into general elections had risks, given the vicissitudes of federal backing, but by-elections limited to a few seats could test public opinion and demoralize Berjaya if USNO were successful. Reports indicated that in the five Berjaya constituencies, USNO stood a good chance of winning in Labuan and Kuala Kinabatangan and

an even chance in Tambunan. Syed Kechik wanted to try in all three, because the results in Tambunan would serve as a indicator of USNO's probable performance in the Kadazan constituencies during general elections, but Tun Mustapha over-ruled this, having decided to take no chances.

On November 11, Harris Salleh and Salleh Sulong resigned from their seats in the Assembly. The moves were not of their making. Shortly after Tun Mustapha's resignation on October 31, press statements were issued to challenge Berjaya, saying that they had been talking for three months about resigning to test their appeal in by-elections, but were seemingly too unsure of themselves to do this. As expected, Berjaya replied that they were fully prepared to engage in such tests and were only waiting for the appropriate time. With the public thus conditioned, the undated resignation letters of Harris and Salleh that all assemblymen signed after the 1971 elections were pulled from the USNO files, currently dated, and delivered to the Speaker. The following day, Berjaya leaders learned that two of their number had resigned from the Assembly. Harris and Tun Fuad immediately went to Tun Razak to appeal for his intervention. The Prime Minister was sympathetic with their fresh plight, but it became apparent that this was normal practice in peninsular states as well, and he was unable to help. Berjaya had to go to the polls whether they wanted to or not.

Nominations were set for November 22, and polling for December 8 to 10. In Labuan, Harris was to stand against Omar Bledram, the Vice-Chairman of the Labuan USNO division who stepped in as Chairman on Harris's resignation. Because of Salleh Sulong's known unpopularity in his Kuala Kinabatangan constituency, Berjaya fielded a relative unknown, Abdullah Hussein, to run against USNO's Datuk Haji Pengiran Galpam, a former Senator. The campaigns of the two parties followed similar veins. Berjaya attacked Tun Mustapha, Syed Kechik, and the USNO candidates, alleging irregular campaign practices and calling for investigations into Tun Mustapha's administration of the state government and Syed Kechik's management of the Sabah Foundation. Berjaya also questioned the ability of the SCA to represent Chinese interests and suggested that the Chinese might be

better represented by the multi-racial Berjaya. USNO attacked Tun Fuad for his involvement in politics while still acting as Head of State and called for investigations by the National Bureau of Investigation into the private financial affairs of Harris Salleh and Salleh Sulong during their tenures as state ministers. Thus, nothing was new, and all Sabah was getting an eyeful of the goings-on of their politicians. The only departure of interest was the quiet assistance given Berjaya in the by-elections by the federal government. Tun Razak and Tengku Razaleigh sent them a check for $500,000, and Rahman Yakub arranged for UMNO workers from the Peninsula and officials of Saberkas, Sarawak's equivalent of USIA, to go to Sabah and help swing the Muslim vote to Berjaya.

The press outside Sabah predicted Berjaya victories in both contests, as did political analysts in the foreign missions in Kuala Lumpur. Because of the announcements that all USNO branches had been dissolved with their full memberships joining Berjaya, both constituencies were assumed to be Berjaya strongholds. Because the deficiencies of the Mustapha government were so glaring and because Sabah voters were presumably looking for an alternative, any alternative, it was assumed Berjaya would have an easy time of it. Many pressmen interviewed only the Berjaya candidates and their supporters, not even bothering to talk with USNO candidates. But Berjaya, the press, and the federal government overlooked a few basic realities: the grass-roots support for USNO, the absence of voter appeal for issues, the power of money, and the essentially Muslim character of both constituencies. When results were announced on the evening of December 10, USNO chalked up victories in both contests with majorities of more than 1,000 votes. Slightly more than 5,000 voters cast their ballots in each constituency, and in both, USNO picked up about 60 percent of the vote. The returns indicated that USNO had attracted the Muslim vote almost exclusively, whereas Berjaya had pulled in most of the Chinese and non-Muslim native vote. Also significant was the defeat of Harris, who had been the first President of Berjaya and stepped back to the deputy presidency to make way for Tun Fuad. The losses were a severe blow to Berjaya, a surprise to the

press and public, and a disappointment to Kuala Lumpur.

To capitalize on this turn of events, Syed Kechik recommended that the Assembly be dissolved within a couple of weeks. Kuala Lumpur was wavering in its support for Berjaya and inclined to favour USNO with membership in the National Front, particularly if Tun Mustapha were to remain out of the picture. Berjaya would enter state elections without the confidence that characterized their first five months of politicking. USNO politicians, on the other hand, would be confident, and USNO fence-sitters would give little more thought to switching to a horse that was running a distant second and had been reduced to a mere three seats in the Assembly. The only troubling thought was the inability of the SCA to swing the Chinese vote behind USNO, but this was interpreted as non-committal temporizing in by-elections that were not decisive in determining power, but only indicative. Were USNO to look like the winner in general elections, Syed Kechik was certain the Chinese vote would fall in line behind the USNO and SCA candidates.

He also saw the elections as his political swan song, at least for some time. The Berjaya affair had been an unexpected distraction made less than savoury by the blatant slurs on his character. He looked forward to withdrawing from the political scene and from many of his public service posts in order to concentrate on the business interests that he had for months been neglecting. This would also remove him as a target for Berjaya's assertions that he, a Malay from Kedah, was holding key posts that should have been held by Sabahans. As one consequence of the Assembly's dissolution, he would automatically relinquish his appointment as a nominated member and as Deputy Speaker, unless it were absolutely necessary for him to stay on. He announced his intention to retire as a director of Malaysian Airline System (MAS) and not to stand for re-election upon the expiry of his term as Chairman of the Sabah Tourist Association. He also made arrangements for his replacement at the Sabah Foundation. The original designate, Datu Khalil Jamalul, was given two other key posts after the cabinet reshuffles in August and November 1975 and was not in a position to take on any additional tasks. It was therefore arranged that Datuk

Kassim Othman, the former Permanent Secretary to the state Ministry of Natural Resources and already a Foundation Trustee, would become the new Director at a later date. Kassim was not in the least ecstatic about the prospect, because of the pressures he would be subjected to, and he accepted only after Syed Kechik agreed to stay on as managing director of the Foundation's corporate subsidiaries.

10

USNO's Fall from Power (1976)

Although the intention was to dissolve the Assembly in late December, this had to be deferred until January 23. Immediately after the by-elections, Tun Mustapha returned to London, where it appeared he was set on staying for at least one month. In his absence, plans were quietly made in USNO's inner circle for the dissolution and ensuing election campaign. Then, Tun Razak died unexpectedly on January 14, bringing Tun Mustapha back from London for the funeral on January 16. With this change in the federal power structure, Syed Kechik wanted to be sure the things already worked out with Tun Razak would remain unaltered. He arranged a meeting on January 19 for Dzulkifli and himself with the new Prime Minister, Datuk Hussein Onn, to make sure there was no objection to their proceeding with the dissolution on January 23 as planned. Of the UMNO leadership, Datuk Hussein had been the most sympathetic towards USNO's interests, and Syed Kechik wanted this reaffirmed. He also took the opportunity to express his feeling that Ghafar Baba would be unacceptable as Deputy Prime Minister, the post left vacant by Hussein's ascent to the premiership. At first, Hussein did not want to depart from the official agenda, but as Syed Kechik continued, he became more interested, particularly when informed that the elected Vice-Presidents of UMNO—Ghafar, Tengku Razaleigh, and Dr. Mahathir —made a pact to resist any appointment to the deputy's

post that passed over the three of them. Syed Kechik left the meeting feeling that the new Prime Minister was more predisposed to working with USNO than his predecessor and that the prevailing turmoil in Sabah politics would be quickly resolved to give way to another five years of relative calm.

The dissolution was announced on January 23, and nominations were expected to be scheduled for early February and elections three weeks after that. Quite unexpectedly, the Chairman of the Election Commission, Tan Sri Ahmad Perang, did not immediately set dates for the nominations and polling, first because of the 40-day mourning period for Tun Razak, then with the objective of getting new voters onto the rolls. This was precisely what Syed Kechik wanted to avoid. Adding 40,000 young people to the electorate, many of whom were doubtless pro-Berjaya because of Tun Mustapha's ban on long hair, might have meant to hand over power to the opposition. It was, moreover, a bureaucratic impossibility. According to the state constitution, elections had to be held within 90 days of the dissolution. The registration of new voters was not yet finished, and to go through all the necessary steps to get their names on the electoral rolls would take a minimum of five months. This did not deter Tan Sri Ahmad from trying, and he seemed determined to hold the elections as late as possible. Whatever his reasons may have been, Berjaya had more time to prepare, time which they needed and USNO did not.

Nominations had still not been called by late February, and the issue of membership in the National Front remained unresolved. Although it had been agreed that Tan Sri Said would stay on as Chief Minister in the event of an USNO victory, Kuala Lumpur was still uncertain about Tun Mustapha's intentions because of his decision to stand for re-election to his Assembly seat. Disclaimers were issued to suggest that he was doing this for sentimental reasons only, but these were not totally convincing. Tun Mustapha was known to be unhappy with his reduced status in the state and to feel that Tun Razak's death removed the single source of Kuala Lumpur's opposition to his involvement in Sabah politics. Sabah continued to be the only state not to sign the Petronas agreement, and it seemed likely that if Tun Mustapha

came back into power, he would once again assert his autonomy. Moreover, if the National Front were to accept USNO, with or without the concurrent acceptance of Berjaya, Tun Mustapha might interpret this an an invitation for his return. But neither could the National Front accept Berjaya only, for this might be to back a losing horse and damage the credibility of central leadership. Their only course was to defer judgment on membership until after the elections, and this they followed. It seemed possible, however, that federal leaders might quietly support Berjaya, as they had in the by-elections, to ensure the formation of a viable opposition and avoid another five years of tussling with Tun Mustapha.

To forestall this, Syed Kechik and Dzulkifli called a press conference in Kuala Lumpur on March 3, ostensibly to release the manifesto of the Sabah Alliance for the impending elections, but also to release evidence implicating Mohammed Noor Mansoor, the Berjaya Secretary-General, in a conspiracy to assassinate Tun Mustapha. Mohammed Noor allegedly went to Manila in February 1975 to enlist the support of Filipino military officials in the training of Kadazans and Bajaus as guerrilas. The Filipinos were not interested, but word eventually leaked back to Sabah through Tun Mustapha's connections in the Southern Philippines, accompanied by fairly conclusive documentation. This was turned over to the Home Affairs Ministry in September 1975, but because the evidence had to be corroborated, no immediate action was taken. After another five months, still nothing had been done. To reopen the matter, the Prime Minister was informed of the evidence in February. Special Branch officers, approaching the matter with justifiable caution, were apparently unwilling to act because of the impact that public disclosure of the plot might have on the Bali Summit in late February, when the prime ministers of Singapore, Malaysia, Thailand, Indonesia, and the Philippines were to meet to discuss the future of the Association of South-East Asian Nations (ASEAN). Although Datuk Hussein promised to take action at some time, too much was at stake. That Tun Mustapha was the target of the plot was bad enough, but far worse was the fact that Malaysians had attempted collaborating with a foreign power to initiate

guerrila activities for the takeover of Sabah. Syed Kechik and Dzulkifli decided to force Kuala Lumpur's hand by calling the press conference, bringing in representatives of the foreign and domestic press corps. The expected stir was muted in the Kuala Lumpur press, however, with the *New Straits Times* alloting a single sentence to the news in an article focussing on the manifesto.

Meanwhile, the newspaper war that began in Sabah the previous July continued unabated. Berjaya's *Daily Express* persisted in its attacks on Tun Mustapha for his Boeing purchases, his running down of the state treasury, and his dictatorial policies. Syed Kechik was kept in the forefront of their assaults and again portrayed as the architect of all Tun Mustapha's misdeeds and the Rasputin behind the throne. Berjaya had by this time added a fifth point to their original manifesto—that Syed Kechik would be deported from Sabah if they came into power. And they continued to posture themselves as an alternative to Tun Mustapha and USNO that would return democracy to Sabah. USNO followed its conventional approach of detailing the development undertaken since 1967 and attacking the character of Berjaya's top leaders. More emphasis was given the latter than the former, and Sabah journals during this period again assumed the comic.

Readers must have become inured to the vindictive vendettas being rained upon them, and the misdeeds of their political leaders were of no real concern anyway. Muslims and the non-Muslim *bumiputras* disaffected by Tun Fuad would vote for USNO and the SCA. Non-Muslim *bumiputras* and Muslims disaffected by Tun Mustapha would vote for Berjaya. The Chinese would vote for whichever party they felt had the backing of the federal government and seemed likely to come into power. With USNO's having only a slight edge over Berjaya in the rural constituencies, the Chinese urban vote would be decisive. The SCA's leadership had been in part taken over by a politically inexperienced new guard that emerged after the nominations to challenge the party's traditional leadership. Syed Kechik was nevertheless certain they would fall in behind the Sabah Alliance. Even if the federal government did not voice explicit support for USNO,

events could be orchestrated to make it appear that USNO would have little difficulty remaining in power, and this would be sufficient to convince the Chinese of the wisdom of backing the incumbent government.

It was announced on March 3 that nominations were to be held on March 18, nearly two months later than Syed Kechik had planned, and that polling would be staggered from April 5 to 14. State constituency lines had been redrawn to increase their number from 32 to 48, and in the Sabah Alliance negotiations for seat allocations, the SCA asked for 12 of these seats, a proportion commensurate with the Chinese percentage of the Sabah electorate. Tun Mustapha instead offered them the eight urban constituencies, probably regarding even this to be generous insofar as the Chinese constituted a majority in only six. The SCA's younger leaders felt that such a concession would further compromise their credibility in facing an electorate which had long been accusing the SCA of selling out Chinese interests for personal gain, and they threatened to pull out of the Sabah Alliance. But the party's traditional leadership convinced the new guard to accede to Tun Mustapha's wishes. Tun Mustapha had long been accustomed to getting his way, and because the traditional leaders of the SCA were beneficiaries of his patronage, they were less than resolute in supporting their younger colleagues.

Negotiations were also held between USNO and Berjaya, at Datuk Hussein's house in Kuala Lumpur on March 14, to see if a no-contest agreement could be worked out. Tan Sri Said, Datu Aliuddin, Dzulkifli, Herman Luping, and Syed Kechik represented USNO; Tun Fuad, Salleh Sulong, James Ongkili, and Ghani Gilong represented Berjaya; and Datuk Hussein and Khalil Akasah, the National Front's executive secretary, represented the federal party. The thinking must have been that if an agreement were struck before the campaign, all the heavy costs, political and financial, of a flat-out campaign could be avoided. At this point, estimates of Berjaya's likely performance were running between 12 and 15 seats, and they were known to be short of money. Khalil intimated to Syed Kechik before the meeting that Tun Fuad was ready to dissolve Berjaya. Given the outcome of the

negotiations, it is possible he put equally apocryphal stories into the ears of Berjaya leaders about USNO's willingness to make concessions. In exchange for a no-contest agreement, USNO was initially willing to let Berjaya have 16 seats, and they were prepared to increase this to 18. Berjaya's opening demand was for 24 seats, however, and they were unwilling to accept anything less than this. Such confidence did not bespeak a party on the verge of dissolving, and it seemed Khalil had engineered the whole thing to see how strong USNO felt Berjaya to be. With the potential compromise sabotaged into an impasse, negotiations came to an abrupt halt. In Kuala Lumpur political circles, the story was circulated that USNO had demanded 40 seats, leaving only eight for Berjaya, and had themselves to blame for the failure to reach a compromise.

It was surprising that the Prime Minister did not prevail upon the two parties to strike an alternative bargain. Kuala Lumpur wanted a weakened USNO led by people who could be shepherded from the federal capital and kept on their toes by having a minority Berjaya in the opposition, preferably a greater than one-third minority so that USNO would no longer be able to rule by amending the Sabah constitution. Datuk Hussein could have pushed for this, but perhaps because he did not want the responsibility for a star-crossed coalition that might later backfire, he decided to let the parties work things out between themselves—if not in negotiations, then in elections. It was becoming increasingly clear that Tun Mustapha was giving no thought whatsoever to withdrawing from the Sabah political scene and may instead have been planning a full-fledged comeback, intending to use the Chief Ministership as a launching pad into a position of power within the federal leadership structure. And there remained the possibility, albeit remote, of a Berjaya victory, which would finish Tun Mustapha's political career. Syed Kechik was concerned about Kuala Lumpur's unwillingness to commit themselves and force a compromise, but he figured it would make little difference. USNO would demonstrate, just as in the by-elections, that it was the premier political party in Sabah and did not need Kuala Lumpur's backing to stay in power.

Berjaya's leadership was far from unified. Many felt

that Tun Fuad was a liability to the party: he would cost them votes in the former Pasok Momogun areas for having compromised their interests after the formation of UPKO, in the Kadazan areas for having dissolved UPKO and converted to Islam, and in the Chinese areas for his anti-Chinese statements going back to the late 1950s. The biggest thing in his favour was the prestige associated with his having been Chief Minister and Head of State. This submerged the claims to the party's leadership of pretenders who, in his absence, would have diffused their efforts in self-destructive in-fighting. Ironically, Tun Fuad was the only person who could hold the party together, even though he was politically weaker than many of his supposed lieutenants: Peter Mojuntin, Harris Salleh, Mohammed Noor Mansoor, and Ghani Gilong. Of these four, Ghani was the only one Syed Kechik could still talk with, and if Ghani were won back to USNO's side, the gains would be considerable. He was still federal Minister of Works and Utilities, and his holding a federal post gave his stance credence in both Kuala Lumpur and Sabah.

Syed Kechik arranged to meet Ghani on the evening of the doomed negotiations for the no-contest agreement, and their discussion continued into the early hours of the morning. One major reason Ghani joined Berjaya was his concern about secession, but with that no longer an issue, he found himself unhappy with the way Berjaya was going about things. Having wavered for some time, he was predisposed to switch back to USNO. The question was when. Syed Kechik told him he had to decide immediately. If he were to wait until after the nominations, it would be too late to make a significant impact. The next day, March 15, Ghani announced his resignation from Berjaya, and two days after that, he announced he was rejoining USNO. On the intervening day, Mohammed Noor was arrested under the Internal Security Act, assumedly in connection with the assassination plot. Berjaya's credibility was severely compromised by these pre-nomination developments, from which many observers felt the young party would not recover. The only thing remaining in Berjaya's favour was that Tun Mustapha was standing for election against Kuala Lumpur's wishes and that this might push the federal government to support Berjaya

openly. It was a slender thread to cling to.

When nominations for the 48 contests closed on March 18, USNO had fielded 40 candidates, Berjaya 48, and the SCA eight. There were also 16 independent candidates, 11 from Pekemas, and three from Parti Bersatu, the party formed the previous November to challenge Berjaya. Complaints were lodged on all sides, but with the exception of the disqualification of Bersatu President Richard Yap, all were unsuccessful. Tan Sri Ahmad was resolved to let anyone be nominated who wished to stand, and to ensure there were no shenanigans he brought in federal officers to oversee the proceedings in each of the 18 nomination centres. The campaign was on, and although attacks and promises were to run freely with no holds barred, it reduced to a single issue: money. Money, money, and more money. For the electorate, it was a return to the good old days of 1967 when those commanding votes could auction themselves to the highest bidder and later sell their commitments to the other side for an even higher price. It was to be the costliest election in Malaysia's history. Both sides mortgaged themselves to the hilt to fuel their election machines, and when money began to run out, they simply went back to their sources for more. Chinese timbermen had already been tapped for substantial sums before the nominations, and several of them found refuge outside the state to separate themselves from the continuing demands for contributions. Troops were deployed throughout the state to maintain the peace, and federal Election Commission officers kept a watch for violations of the Election Ordinances. But because both sides were so flagrant in their vote-buying, all that really could be done was to ensure that polling would be carried out without incident or irregularity.

USNO was accustomed to relying heavily on the last minute power plays of Tun Mustapha and was at an organizational disadvantage to Berjaya. Most of the well-educated people in the state were either Chinese or Kadazan, and both groups were active in supporting Berjaya. USNO workers were the least-educated, and many of those possessing either clout or education were disinclined to sully their hands with electioneering. To counterbalance this, Syed Kechik arranged for 100 UMNO workers to come in from the

Peninsula, without the knowledge of the party's central leadership, and undertake office and organizational work. Berjaya also brought in help from Sarawak and the Peninsula, but because USNO controlled immigration, their influx was stemmed. Syed Kechik was confident that USNO's support at the grass roots would result in an USNO-SCA victory. From the beginning of the campaign until a few days before the polling began, reports from all political intelligence sources indicated that USNO was certain to pick up at least 30 of the seats and possibly as many as 36. The question was not whether the Sabah Alliance would get a majority of the seats and form the government, but whether it would command a two-thirds majority.

Publicly, Kuala Lumpur did not come out for either party, although no secret was made of their displeasure with Tun Mustapha's candidacy. Privately, it was a different story. The treatment of the campaign in the national press seemed to be slanted in Berjaya's favour. Several federal officers in Sabah campaigned openly for Berjaya. And although the police and armed forces were instructed to remain neutral, it was apparent that they were not strictly following this directive. But these things were interpreted as resulting from Kuala Lumpur's desire to have a viable opposition and retain sufficient leverage to keep Tun Mustapha out of Sabah politics. As it happened, their concern was of a far different sort. Shortly after the nominations, the PAS Youth wing announced that a delegation of youth leaders was being sent to Sabah to campaign on behalf of USNO. A few days later, Datuk Asri, the PAS President, announced that he personally would go to Sabah to campaign for Tun Mustapha. Learning this, and knowing the effect this could have on Kuala Lumpur's sentiments, Syed Kechik recommended immediately that the PAS delegation and Datuk Asri be discouraged from coming. Datuk Asri insisted on coming all same.

The involvement of PAS elicited considerable concern among UMNO leaders in Kuala Lumpur. The flurry surrounding the corruption case against Selangor Chief Minister Datuk Harun Idris, labelled by many as a political trial to remove him as a threat to other national leaders, had already been divisive in UMNO circles. It was known that many

members of Parliament and the state legislative assemblies were unhappy with the policies and actions of UMNO's top leadership. In this context, the Sabah elections became a test of the strength of that leadership, and many of the disaffected in UMNO and PAS were hoping USNO would win handily so that the results could be interpreted as a defeat for the inner circle of UMNO. Consequently, Datuk Asri's visit to Sabah was an affront to UMNO's top leaders, who envisioned an unsavoury scenario: USNO wins the elections to retain power in the Sabah State Assembly; Tun Mustapha becomes Chief Minister and pulls the 12 USNO members of Parliament into the opposition together with the PAS members; with an authenic *bumiputra* opposition to the National Front thus established, numerous others in UMNO cross the floor to create a strong opposition front in the federal Parliament. With this as a real possibility, UMNO'S top leadership decided to provide more than casual support to Berjaya. Federal officers in Sabah were advised to give their backing to Berjaya and suggest they were doing so with the imprimatur of the federal government. Significantly, UMNO made another donation of $500,000 to Berjaya's campaign fund two days before polling began.

Half a million dollars is not large sum in Sabah election campaigns, and in many ways Tengku Razaleigh's covering letter on UMNO stationery was of far greater import. Chong Thain Vun told his Berjaya colleagues before the campaign that they would not be able to attract the urban Chinese vote without tangible indication of Kuala Lumpur's support. This letter was the tangible support they needed, and Berjaya leaders exploited it by showing copies to Chinese businessmen throughout the state. The Chinese were collectively impressed, and it is thought that Berjaya, on the strength of this letter alone, was able to collect more than $10 million to support their campaign activities at a time when their funds were virtually exhausted. Suddenly, Berjaya campaign workers were handing out $50 notes to enlist the votes of all and sundry. USNO workers were doing the same, of course, and during the final days of the campaign, with polling underway, there were a lot of people moving around Saban with bags containing $100,000 to $150,000. It has been reliably

estimated that about $30 million was spent in the campaign, or roughly $150 per voter. This figure assumes its proper perspective when understood that only $7 million was spent in the Peninsula and Sarawak during the 1974 state and parliamentary elections.

The money raised and dispensed by Berjaya in the closing days of the campaign was not the decisive factor in the elections. It was the explicit support of the federal government for Berjaya, as manifested in Tengku Razaleigh's letter to Tun Fuad, and the impact this made on Chinese voters. The letter was regarded as incontrovertible evidence of the federal government's desire to have Berjaya in power, and the implication was that if USNO were to win, federal support for Sabah would be withheld. The Chinese, ever practical, have never supported lost causes. Their traditional view of politics is based on the belief that the dynasty in power has the right to rule by virtue of possessing a mandate from heaven. The faltering strength of a dynasty is seen as indicative of the passage of this mandate and, because the will of heaven has changed, no virtue accrues to supporting the faltering dynasty. So it was with USNO and the passage of Kuala Lumpur's mandate to Berjaya. An estimated 95 percent of the Chinese in Sabah voted for Berjaya, for the new dynasty, for the cause blessed with the mandate of heaven—and in this case, heaven did not want to see the birth of a new coalition of factions that would oppose its right to dispense the mandate. It was not so much that Kuala Lumpur wanted to have Berjaya in power as to forestall the emergence of a *bumiputra* opposition front in Parliament. Berjaya was the unwitting beneficiary.

The first results were announced at eleven-thirty on the evening of April 14, and after two hours it was known that Berjaya, much to almost everyone's astonishment, would form the new government. Berjaya had taken 27 seats to USNO's 20, and their twenty-eighth seat came in the next morning. The SCA lost all eight of its contests with Berjaya, and it was apparent that the only support for SCA candidates came not from SCA voters, but from USNO voters in the urban constituencies. But this was a symptom of the upset, not the cause. The real factor in deciding the balance of

power in Sabah was the federal government, as it had always been.

Syed Kechik was caught by surprise. He had been over-confident about urban support for the Sabah Alliance, assuming that because USNO was strong in its relatively safe constituencies, the SCA was similarly strong. Things he would normally have done himself, he delegated to others, and he worked only half as diligently as in previous elections. He found it distressing that Tun Mustapha was running, for everything undertaken on his behalf in the preceding months had been to save him from humiliation, not to enable a comeback. He found it distressing that the only things of importance in the elections were not issues, not the capabilities of politicians, not economic development programmes, but dollars. Combined, these things led him to let down his guard a bit, and for the first time he had not fully explored the ploys of challengers and anticipated their moves.

Tun Fuad was sworn in as Chief Minister on April 15, and he immediately made pronouncements that things would change—that corruption would be fought and the state's finances put in order; that his party would work closely with Kuala Lumpur, as demonstrated by their willingness to reopen discussions for signing the Petronas agreement; that the idea to form Sabah Airlines would be scrapped and the two Boeings on order would be sold; that the luxurious Sabah House in Kuala Lumpur, which Tun Mustapha had bought from the Sultan of Brunei, would be disposed of; that the Sabah Foundation would be brought under the control of the new government and its director dismissed. Tun Mustapha, after two days of silence, proclaimed that USNO would not seek a coalition with Berjaya and would instead remain loyal to the interests of Malaysia in the opposition. Many felt that USNO was finished, however, predicting that the party would dissolve much in the manner UPKO had in 1967 to avoid the gradual crumbling that would result from desultory defections. Meanwhile, Kuala Lumpur leaders stated their hopes that Berjaya would fulfill its campaign promises, reflecting their mild concern that the original purposes of the party might be forgotten with the passage of time.

The new cabinet was sworn in on April 20, with some familiar faces and others new. Harris Salleh was appointed Deputy Chief Minister, as expected, and given the Rural Development portfolio. Salleh Sulong was appointed Minister of Finance, and Peter Mojuntin, Minister of Local Government and Housing. James Ongkili, who had been waiting in the wings of academia for the right time to jump into Sabah politics, was given the Agriculture and Fisheries portfolio, and Chong Thain Vun, the Communications and Works portfolio. One of Berjaya's first tasks was to get two crossovers from USNO for the two-thirds majority necessary to amend the state constitution and revoke state appointments. It was rumoured that they were offering $500,000 cash for the first two defections, and Tun Mustapha countered this by bundling off 16 USNO assemblymen to a safe haven in Kuala Lumpur. Another of Berjaya's immediate tasks was ferretting out USNO stalwarts from senior government posts, and in their reshuffling they were less than subtle, evincing complaints from USNO that a witch hunt was under way. Berjaya forced the resignations of most chairmen and vice-chairmen of statutory boards and, when this did not work, they simply had them sacked. Heads were also rolling in the Chief Minister's Department. This was expected. Tun Mustapha put his own people into these posts, to placate opponents and reward supporters with favours, and Mustapha loyalists had no place in the new government. All the changes earmarked by Berjaya were swiftly executed, with two exceptions.

The Speaker of the Legislative Assembly was instrumental to smoothing the procedural way for many envisioned bills and amendments, and Berjaya wanted to install John Dusing as the new Speaker. Dusing had earlier been the focus of the December 1964 cabinet crisis when Tun Mustapha refused to rubber stamp his appointment as State Secretary. But the incumbent Speaker, Datuk Momen Kalakhan, was an USNO man and had more than four years of his five-year term remaining. Tun Fuad sent his permanent secretary to contact Momen and ask for his resignation, with the prod that if he were not to resign, his appointment would be revoked. Unaccustomed to such harassment, Momen phoned Syed Kechik to say he did not think he could stand up to the pressure.

Momen's response was not unusual for a Sabah politician, most of whom withdraw when confronted with adversity. Syed Kechik convinced him to hold on to his post, saying that the Speaker's post was more important to USNO than the Head of State's. By April 23, the pressures were growing. One of Momen's staff was instructed to present him with a resignation letter for immediate signature. Berjaya concurrently announced in their papers that the Speaker had resigned and his replacement was to be sworn in on the morning of April 24. Invitations to attend the investiture ceremony were sent out to all those in Sabah's political and official circles, including Momen himself. Aware of this, Syed Kechik visited the Speaker and again advised him to refuse to submit to the ploys. The only way he could be removed was by amending the state constitution after a two-thirds vote in the Assembly, and Berjaya was still two votes short of that. This left Tun Fuad, his ministers, and the invited guests in the lurch at the Istana, and when it became apparent the resignation letter was not forthcoming, the ceremony was called off.

Angered by this first rebuff to his authority and knowing that Syed Kechik had convinced the Speaker to stay on, Tun Fuad went straight from the Istana to his office to arrange for the expulsion of Syed Kechik from Sabah. He called in the new state Attorney-General to assist in the preparation of the expulsion order, and this was transmitted the following morning to the state Director of Immigration, Syed Sidi Idid. On seeing the order, Syed Sidi went directly to Tun Fuad's office to explain that the order was illegal and he could not carry it out. He informed the Chief Minister that Syed Kechik could fight the order in the courts and easily win an injunction. But Tun Fuad wanted Syed Kechik on the next plane out of the state, telling Syed Sidi that he would give him all the support he needed and that, as Chief Minister, he was instructing him to carry out the order. When Syed Sidi demurred and said he would have first to go to Kuala Lumpur to consult with the federal Director-General of Immigration, Tun Fuad insisted there was no need. He said he had the power to expel and had already called the Officer-in-Charge of the Kota Kinabalu Police District to accompany

Syed Sidi in serving the order. Even if the order were ultimately overturned, he wanted to have the satisfaction of pushing Syed Kechik out of the state while litigation was under way.

Syed Sidi left for Kuala Lumpur that afternoon and returned the following morning with the Director-General's opinion that coincided with his own. The legality of the expulsion order hinged on the interpretation of the state Director's power to cancel immigration permits, passes, and certificates and to order a specified person's removal from the state. According to Tun Fuad, Syed Kechik was just such a specified person. But according to Syed Sidi, if such an interpretation were accorded, he could remove anybody from the state, including native Sabahans, and that clearly was not the intent of the Immigration Act. The order was never served, but the incident marked the beginning of a pattern of pressure and obstructionism against Syed Kechik. It appeared that if Berjaya were unable to make good on their manifesto promise to have him expelled from the state, they would do everything administratively possible to make life unpleasant for him in Sabah. There would be attempts to revoke the licence agreements of the timber companies in which he held an interest, to block procedurally the development of the shophouses and office buildings his company was undertaking in Kota Kinabalu, to stall approvals for everything associated with his other undertakings, and to harass him and his staff by wielding the immigration powers held by the Chief Minister. About these things, he would have little recourse, except Article 13 of the federal constitution which safeguards the private property of the individual.

After Berjaya reshuffled the government bureaucracy to their satisfaction, they got down to working out tactics for the Legislative Assembly and began governing. Tun Mustapha continued to keep his 16 assemblymen in Kuala Lumpur. Those around him filled his mind with notions of his return to power, and his moods jumped from extreme optimism to pessimism and back again. In moments of depression, he called upon Syed Kechik, for sympathetic reassurance, but most of all for help—help in restoring his power. By this time, however, Syed Kechik was studiously avoiding the formerly

all-powerful Chief Minister. He saw in Tun Mustapha the one obstacle to sorting out a reasonable compromise with Berjaya and Kuala Lumpur, and he had decided he would do nothing major to assist him politically, except to work out the details of his total withdrawal. He disagreed with the isolation of the assemblymen, feeling this compromised USNO's credibility as a party, and he saw no magic in holding on to all 20 of USNO's seats in the Assembly. Berjaya with a simple majority could effect most of the legislation they wanted, and Syed Kechik sat back as an interested spectator to observe how well or poorly they went about things. That he would be ousted as Director of the Sabah Foundation was foregone. That both USNO and Berjaya would be accepted concurrently into the National Front was also foregone. Federal leaders were merely waiting for the appropriate time, and it seemed this would be after the National Front Supreme Council meeting scheduled for mid-June.

At the May 3 Legislative Assembly session, the first to be held after the elections, Berjaya pushed through a single bill to increase the number of political secretaries from nine to 18. They were not yet ready to embark on some of their more sweeping changes, and the essence of their early strategy focussed on administration, not law. Only three USNO members were in attendance: Tan Sri Said, Dzulkifli, and Datuk Sakaran Dandai, the state Minister of Agriculture and Fisheries in the previous cabinet. After the session, Dzulkifli announced that USNO would seriously consider proposals from any quarter for a formula that might resolve the differences between USNO and Berjaya. But at the same time, Tun Mustapha was making statements chastising Berjaya for their contradictory promises and assertions and urging them to get on with the business of governing.

USNO was in a dilemma. No overtures to Berjaya would be seriously received if it were felt that new arrangements would somehow give Tun Mustapha a springboard back into political power. Yet, Tun Mustapha was the only one who could exact the loyalty of USNO assemblymen contemplating the personal advantages that would accrue to their switching to Berjaya. There were those, to be sure, who were loyal to USNO and regarded defection as unthinkable, but some of

them also felt USNO would be better off without Tun Mustapha. Were he to withdraw completely, a weakening would definitely occur, with those on the fringe making the opportunistic jump to Berjaya. But after the shaking out process, USNO could develop as a party, which it had never been able to do under the autocratic leadership of Tun Mustapha. It was thinking along these lines that doubtless led Syed Kechik to feel that USNO would be better off out in the open, even if this meant suffering the necessary small number of defections and the loss of blocking Berjaya's having a two-thirds majority. He must also have felt that, without Tun Mustapha, USNO might encourage some defections of its own. Berjaya was not the cohesive party it seemed to be, already being divided into four factions—pro-Chinese, moderately pro-Kadazan, ultra pro-Kadazan, and pro-Muslim—with a number of opportunistic fence-sitters on the fringes. Such are the realities of a multi-racial party. Then, within one month, two events intervened to alter considerably the complexion of politics in Sabah—the first shocking, the second tragic, the first pushing the contending parties to opposite poles, the second bringing them closer together.

Racial tensions roused during the closing days of the campaign still ran high in the weeks following the elections, and late on the evening of May 8, bombs were set off in Kota Kinabalu, Kudat, and Sandakan. Far more devastating than the actual damage were the psychological tremors set in motion by the blasts. The bombs were of the type used for killing fish, and this immediately implicated the Filipino refugees and coastal fisherman, most of whom were pro-USNO. The incidents appeared to be the work of USNO extremists dissatisfied with USNO's fall from power and part of a larger scheme to disrupt order in the state. In a separate incident, apparently undertaken by those using the general disturbances as a cloak for repaying personal grudges, two people were slashed with parangs on the outskirts of Sandakan and subsequently died. Sabah had not been the arena for violence of this sort since the Japanese occupation, and the police acted swiftly, if a bit excessively, to avoid a recurrence. More than 4,000 people were apprehended—Filipino refugees, coastal dwellers, and even a number of

assemblymen, native chiefs, district chiefs, and *orang tuas* who had earlier sponsored the entry of refugees to Sabah. All were herded into detention camps; many were interrogated and intimidated; some allegedly were tortured, as evidenced by reports from contractors that a number of their workers were too injured to report for work for several days. The police were unable to locate the murder suspects, who apparently escaped by boat to the islands off the east coast, so they ran through more than a thousand suspects in Sandakan, picked 26, and gave each of them an 18-month sentence for unlawful assembly. The moves were more preventive in intent than punitive. The political impact of the bombings and the police sweep was of course considerable, alienating the Sabah public almost totally from USNO.

Over the ensuing weeks, efforts were made to restore calm by submerging attention in the media to the bombings, and political jockeying continued. Then on July 6, the plane carrying Tun Fuad, Peter Mojuntin, Salleh Sulong, Chong Thain Vun, and six others back from a Berjaya rally in Labuan crashed a short distance from the Kota Kinabalu airport, killing all aboard. With the bombings fresh in memory, speculation of sabotage naturally abounded, but the crash appeared to be the result of heavily loaded aircraft pulling out of its landing approach and going into a low altitude stall, from which it was impossible for the pilot to regain control. This was a loss Sabah could not afford. The Mustapha years had squelched the emergence of young political talent, and it would be difficult indeed to replace the likes of Peter Mojuntin and Chong Thain Vun. Rahman Yakub and Tengku Razaleigh were in the state for the signing of the Petronas agreement, and both offered their help in solidifying Harris's position. Harris was sworn in as Chief Minister that same evening and, in the wake of the tragedy, it became necessary for him to return immediately to the harsh realities of governing. Had the swearing in been deferred or had the actions of government been suspended, the various factions in Berjaya would have been quick to back their favourites, splintering the party and opening the way for USNO. Datuk Hussein also propped Harris up a bit, taking the opportunity while in Sabah for the funerals to make an appeal for everyone

in the state to back Harris. Strangely, the accident brought Berjaya and USNO closer together, psychologically if not politically, in the realization that it was not power that mattered so much as governing.

The possibility of a Berjaya-USNO coalition was speculated everywhere, but there remained some obvious impediments: Tun Mustapha, Syed Kechik, Dzulkifli Abdul Hamid, and Harris's long standing antipathy for all three of them. One thing was certain. Harris was insecure in his own party, and in a coalition with USNO, his position would be even more uncertain. Several Berjaya assemblymen, disaffected by Harris's temper and political style, wanted Ongkili as Chief Minister—a preference later manifested in his appointment as Deputy Chief Minister. Although Ongkili did not possess the experience of years in the Sabah political arena, he was untainted by the dubious dealings that had made so many Sabah politicians sudden millionaires. Had it not been for Harris's backing from the Chinese members of Berjaya, Ongkili might have become Chief Minister. The Chinese knew they could deal with Harris. For all his failings and fiery outbursts, he did keep his word, and this was of considerable importance to the Chinese who detested, after making concessions, having more and more whittled away under subsequent pressure.

While federal leaders were still in Kota Kinabalu, Syed Kechik pushed for a coalition. As a gesture of good faith and so as not to reopen ethnic conflict in the electorate, he proposed that USNO candidates not contest the five by-elections made necessary by the deaths of the assemblymen. This was simple good sense. USNO stood little chance in these constituencies anyway, and to contest for the sake of picking up one or two seats would have been to close the door, perhaps forever, on negotiating a coalition compromise. Moreover, both parties would be members of the National Front by the time by-elections were held. The heart of the deal was that in exchange for the withdrawal of Tun Mustapha, Syed Kechik, and Dzulkifli from active politicking, three USNO assemblymen would be appointed ministers, three deputy ministers, and three political secretaries. Harris must have been concerned, however, about the erosion this would

bring to his own political base and about the ease with which the three in self-exile could return to the political arena. He must also have been concerned about the good faith of Tun Mustapha's withdrawal, knowing the commitment was coming not from Tun Mustapha himself, who was away in London, but from Syed Kechik. And Syed Kechik no longer exerted such total influence over the man who was increasingly indulging dreams of returning to power in Sabah. These suspicions were not without justification. Even after USNO made the announcement not to contest the by-elections, Tun Mustapha was thought to be quietly supporting independent candidates who would later swing their allegiance to USNO and pull Tun Mustapha closer to his goal of recovering a majority in the Legislative Assembly and returning as Chief Minister. Harris rejected the coalition proposal, but this made it necessary neutralize Syed Kechik. Harris and Berjaya needed desperately to get Syed Kechik out of the political picture, for without him, Tun Mustapha and Dzulkifli would be less effective in their challenges. The Sabah Foundation became their target. It was the only way to erode his political credibility.

In the July 14 session of the Legislative Assembly, a bill was passed to amend the Sabah Foundation Enactment, revoking the provision which guaranteed the tenure of board members, bringing the Foundation under the direct control of the state government, and empowering the Chief Minister to terminate the appointments of the Chairman, the Director, and any of the board members. Syed Kechik expected this, and hoped only that a responsible person would replace him and that ministers in the new government would not tamper excessively with the Foundation's resources and programmes. What he did not expect were allegations that the Foundation had operated without proper checks and balances, indulged in excessive expenditures without regard to the financial consequences, and degenerated into mal-practices and mismanagement—allegations presumably designed to damage Syed Kechik's political image in Sabah and Kuala Lumpur. Several specific charges were levied: that the Foundation had been selling its logs at a per cubic foot price $0.20 below the market; that the Foundation was

committed to projects totalling $156 million, but expected only $17 million in revenues in 1975 and 1976; that the Foundation owed the state government $10 million in repayment of a loan and another $2.2 million in timber royalties; that the Foundation had an outstanding tax liability of $41 million; that Syed Kechik had personally benefitted from the sale of land to the Foundation for construction of the National University's branch campus; that Syed Kechik was to benefit directly from the Foundation's diversion of funds to the construction of the Likas Bay causeway; and that the joint-venture shipping company in Hong Kong did not appear to have any substantial investment from the Foundation.

Syed Kechik was offended by the obvious political motivation behind these charges and by the manner in which they were made in the Legislative Assembly, where members enjoyed privileges of immunity against civil proceedings for their statements. It had all been carefully orchestrated. Nothing of the Foundation's management was mentioned during the first two readings of the Bill, forcing USNO members to restrict their comments to its merits and precluding Dzulkifli from offering a statement of gratitude to the outgoing Director and Chairman. Then after the third reading, in response to a question from a Berjaya member as to why the Bill had been necessary, Harris pulled out an eight-page prepared speech to attack Syed Kechik. Because this was in response to a query from the floor, no objections could be raised, and precisely because it was a response, no further discussion was allowed, thus preventing USNO members from questioning the allegations and requesting substantiation. Most annoying to Syed Kechik was that the allegations were drawn by taking isolated facts out of context and distorting their significance.

Typically, he prepared for release to the press a long statement to refute each of the allegations and place things in a more complete perspective. The Foundation had been selling its logs at a per cubic foot price about $0.20 below the prices cited by Harris, but the Foundation sold most of its logs on long-term contracts at prices invariably lower than spot prices. In fact, the Foundation sold at prices higher than many of Sabah's major producers, even though an inordinate proportion of its logs were scarred and split as a function of

using a number of *bumiputra* contractors less experienced in log handling than the big companies. The Foundation had $156 million in project commitments and $17 million in projected income for 1975 and 1976, but the commitments were long-term and spread over five to ten years, and the income projected was from timber operations only and did not take into account the proceeds from its other undertakings. The Foundation owed the state government $10 million, but this was for a loan to cover royalty payments during 1975 and enable the Foundation to continue operations in a depressed market that forced many operators to shut down and retrench their workers. The Foundation also owed the state government $2.2 million in royalties, but all timber companies received a two-month grace period for the payment of royalties assessed, and that grace period had not yet expired. The Foundation had made a provision for $41 million in taxes for the years 1971-74, but this was only because Inland Revenue had not yet renewed the Foundation's tax-exempt status, pending a fuller examination of the activities of the Sabah Foundation Group of Companies and its corporate inter-relationships. Syed Kechik had transferred some lands at Limauan to the Foundation for the branch campus of the National University, but these were donated, not sold. He would benefit indirectly from the construction of the Likas Bay causeway, but so would the Foundation. The ZARA project was contributing half the funds for the causeway's construction, in addition to providing land valued at $2.7 million free of charge as a site for the Foundation's Headquarters complex. The Foundation's investment in the original joint-venture shipping company was small, but this was because Yasa Nanzai Limited had been converted to a management company after a subsequent corporate reconstruction, and the Foundation's interest in the assets of the new holding company was substantial. To the more general charges of operating without proper checks and balances, Syed Kechik replied that everything done by the Foundation was in accord with its basic charter as formalized in the Sabah Foundation Enactment and amendments and that everything undertaken by the Foundation's corporate subsidiaries was in accord with the Companies Act and the respective

memoranda and articles of incorporation. The accounts of subsidiary companies were regularly audited by independent and reputable accounting firms, and the implications of all corporate and investment decisions were considered with the guidance of tax experts, legal counsel, and accounting consultants.

The only valid charge was that Syed Kechik acted with considerable independence and that the state government was only vaguely aware of the Foundation's operations. This was intentional, for in Syed Kechik's mind, the more that ministers and other officials knew of its operations, the greater was the likelihood of pressures being exerted to abuse its resources and undertakings. Consequently, only the Board of Trustees was fully apprised of its activities. Up to the end of 1975 the Foundation had exploited only 209 of its 3,300 square miles of timber land, or roughly six percent of the total, and the strictures on future logging were clearly delineated to ensure that the timber land could be worked in perpetuity on a 100-year natural regeneration cycle. The same could not be said for the other timber land in the state. Also in Syed Kechik's mind, the Foundation was the single organization in Sabah to engage in major development undertakings and avoid the taint of corrupt dealings. Moreover, it had tangible things to show for the money that ran through it—unlike many of Sabah's statutory bodies, notably the State Economic Development Corporation, and some of the statutory bodies operated by the federal government in the Peninsula.

Syed Kechik was pleased with the appointment of Ben Stephens, the brother of Tun Fuad, as Director of the Sabah Foundation on June 23. He respected his successor's experience and integrity as an administrator, and his only concern was whether Stephens would be able to withstand the attempts of influential politicians to tap the Foundation's programmes and resources for their personal benefit. The transition marked the beginning of Syed Kechik's departure from the public and political arenas in Sabah—a departure which was to be neither abrupt nor total. He had wanted for a number of years to pull out of active politics anyway, and this was to be the time. Just as the previous decade had been spent in

politics and public service, so the next decade would be devoted to business and personal philanthropy. One thing was apparent, however, and that was his greater vulnerability. The degree of this vulnerability, real and seeming, was tied directly to the degree of symbiosis in his relationship with Tun Mustapha. Having been for so long independent in his approach to affairs in Sabah, he was seen as having been able to achieve many things because of his known close association with Tun Mustapha. But by mid-1976, with Tun Mustapha's declining influence in Sabah, Syed Kechik was suddenly and completely independent.

Tun Fuad, shortly before his death, told a prominent Singapore journalist that he respected Syed Kechik's political and administrative capabilities and recognized that Tun Mustapha would not have become what he was without Syed Kechik. Although the second half of the compliment was in some ways dubious, it is placed in clearer perspective by an understanding of the delicacy of Syed Kechik's advisory role. He was kept in Sabah neither out of gratitude nor respect, but out of necessity. He had helped put Tun Mustapha in power, and he had helped keep Tun Mustapha in power. Tun Mustapha must have felt throughout his rule that Syed Kechik's departure from the scene would occasion a decline in his own power base. It would be erroneous, however, to assume that everything done by Tun Mustapha was engineered by Syed Kechik, for Tun Mustapha had numerous advisers and agents, separating as he did the power around him. For example, his chief adviser in matters of government was Harris, and his chief agent in USNO was his own brother, Datu Aliuddin. Syed Kechik's influence was as Sabah Foundation Director, political strategist, and personal confidante.

Still, it was perhaps inevitable that federal leaders should interpret Tun Mustapha's administrative antics and Sabah's drift from centre as being engineered by Syed Kechik. They did not know the full circumstances, but they did know that Syed Kechik was the architect of Tun Mustapha's power. And if Syed Kechik were not working directly to keep Sabah close to centre, he must have been working to pull it further away. This was an oversimplification, of course, but two

major questions were unanswered. Why did Syed Kechik not stand between Tun Mustapha and his self-indulgent, autocratic excesses? Why did Syed Kechik not provide a better federal link? That he did neither is a function of the difference between idealism and realism in politics. Tun Mustapha respected Syed Kechik's judgment, and when he knew a scheme was less than sound or regular, like the jet purchases, he simply did not discuss it with his adviser. At the same time, Syed Kechik could not challenge Tun Mustapha directly on his handling of the state government, for this was outside his purview.

One might assert that because of the glaring irregularities in Sabah, he should have done just this. But nobody — neither federal leaders in Kuala Lumpur nor state leaders in Kota Kinabalu — had the gumption to criticize Tun Mustapha's actions and life style, at least not until Kuala Lumpur came down firmly against him, after which the security of being aligned with the federal government made idealism a sudden virtue. One might alternatively assert that Syed Kechik should have removed himself from the state rather than become a tacit supporter of Tun Mustapha's misdeeds — that, as a political idealist, he should have self-righteously removed himself as a matter of principle, even though this would have have left him impotent to do anything further in Sabah. As a political realist, however, and with his perceptions doubtless coloured to some degree by his growing financial interests in the state, Syed Kechik stayed on, trying to effect the maximum good in a chequered situation.

It is unsurprising, then, that Syed Kechik was an enigma to Kuala Lumpur. Federal leaders knew things were amiss in Sabah, but they did not know the extent to which Syed Kechik was responsible. They also knew that Syed Kechik was not a run-of-the-mill politician: in a jungle of administrative mismanagement, he was basically clean; instead of drinking, dancing, and gambling, he preferred to work; unlike those more aware of goals than nuance, he was a master tactician who could pull things off with considerable finesse. But they did not know everything and, consequently, were suspicious of his motives, perhaps confusing his solitary style of action with a desire for state autonomy. This originated

in Syed Kechik's passions for secrecy, privacy, and anonymity more than anything else. For a man conscious of the value of the media in consolidating political power, he failed to appreciate the value of good public relations in consolidating his own political image. Presumably, he did not care.

He refused to ingratiate himself to politicians in Kota Kinabalu and Kuala Lumpur to ensure his political security, preferring instead to go his merry way, feeling confident that it was sufficient to act in accord with his principles, feeling that it was unnecessary to explain himself, feeling that he was secure with or without Tun Mustapha. In this, he miscalculated. Although respected by many of his colleagues in Kota Kinabalu, this was mixed with the intimidation of awe, and he was vehemently disliked by opponents for his ruthlessness in political confrontations and for having taken many posts that might otherwise have gone to Sabahans. Although respected by politicians in Kuala Lumpur for his record and clean reputation, he was envied for the power and wealth he had acquired personally. And although understood by some journalists, he was misunderstood by many more because of the cloak of secrecy with which he shrouded his activities in the state. He did not mind stepping on sensitive toes if these were in the way of achieving what he saw as valid ends. He did not mind raising concerns about his growing influence in Sabah if he felt he could do things better than others available for the various tasks at hand. But sprung loose from his association with Tun Mustapha and fully on his own, he underestimated the degree to which negative sentiments would prevail over the positive.

In Kuala Lumpur, his long association with Tun Mustapha was to erode the manner in which fair weather friends would regard him, and his accomplishments in the state were to be quickly forgotten. He was seen as having been pro-Malaysia in his early years in Sabah, pro-Sabah in the middle years, and pro-Syed Kechik in later years. There were two main reasons for this recent change in perception. First, he was known to be backing one camp in UMNO and, because his financial resources represented a threat to competing camps, their interests would be served by a decline in his financial and political clout. Second, he had become

that rarity, a Malay millionaire. As one foreign economic consultant bluntly noted, 'Half the Malay elites seem to spend all their time scheming to bring down the other half.' Overstatement, no doubt, but a statement having some truth nonetheless. Combined, this political rivalry and financial jealousy were to mean that, in a crunch, Syed Kechik could expect only some sympathy and certainly little support from those purporting to be his friends.

People enter politics with ideals and aspirations, whether personal or national, and at some point these invariably give way to the cynicism that results from becoming aware of the realities of power and the failings of those who seek it. Thus it was that Syed Kechik took a step back from the front line of the Sabah political arena with some cynicism for leadership in both Kota Kinabalu and Kuala Lumpur. He went to Sabah in 1965 to do what he could for the cause of federalism, and he did just that. Kuala Lumpur saw Tun Mustapha as becoming too autonomous by the early 1970s, but because of other exigencies in the Peninsula, they let things in Sabah follow their natural course. When these had gone too far, they stepped in, if a bit clumsily, to reverse the pattern. They seem also to have equated Tun Mustapha's autonomous proclivities with Syed Kechik's advice, but the equation was incomplete, omitting as it did his continuing interest in preserving Malaysia—an interest assuredly coupled with preserving the power and wealth he had acquired for himself, but a continuing interest nonetheless.

Epilogue

With the removal of Tun Mustapha from power, the latest major threat to Malaysian federalism was neutralized, and contending forces emerged to balance each other in a manner that made them dependent on Kuala Lumpur for their future. This was not necessarily Sabah's loss. Its long period of autonomous and autocratic rule compromised political and economic development in the state. In many ways, the past anomalies were solely attributable to Kuala Lumpur's letting Sabah leaders have their way. As far as most federal leaders were concerned, Sabah was a distant and forgotten province, to be remembered only during periods of crisis. Whereas this arm's-length approach may have been appropriate during the first few years of Malaysia, because of state sensitivities about managing their own affairs without federal intervention, this became glaringly inappropriate by the early 1970s. With another seemingly pro-federal party installed in power in 1976, it was thought, just as in 1967, that the pattern had finally been broken. Sabah, like Sarawak, had been brought under the federal umbrella and nothing would encourage its leaders to walk back into the autonomous rain. It was thought that the future course of Sabah politics would be guided, for a long time and perhaps for the life of the nation, by an informed circle of federal leaders in Kuala Lumpur. It was also assumed that, one by one, the original chessmen would give way to younger men with better edu-

cation and more altruistic outlooks—that second generation of politicians who would enable Sabah to realize more closely the development potential of its great natural wealth. All this was to bring an end to the administrative and electoral irregularities of the preceding decade. But the question remained: How much would governance in Sabah really change?

Although Berjaya's first promises were to clean up administrative mismanagement and return democracy to the state, they nevertheless had some unfinished business. Their attempts to expel Syed Kechik from Sabah had been unsuccessful, and they still felt it was necessary to undercut his political and financial bases in order to remove him as a threat to their position of power. They intensified their examination of the Sabah Foundation to see if something could be found to discredit his activities as Director, assigning a team of accountants from the Peninsula to research the Foundation's finances. But the affairs of the Foundation were well-documented. Syed Kechik left behind a 1,300-page report that detailed virtually every undertaking of the Foundation during his tenure—documentation far more comprehensive than for many federal statutory bodies in the Peninsula. Consequently, Berjaya continued with its allegations in the Legislative Assembly, where its spokesmen were immune from civil proceedings, and Syed Kechik continued with his attempts to get these charges into court, where he felt he would be exonerated.

Unable to find substantive basis for their allegations, Berjaya leaders turned in other directions. On August 6, 1976, Syed Kechik received a letter from the Conservator of Forests informing him that the state government had undertaken a review of timber licences in light of the New Economic Policy, the federal policy formulated in 1970 to give *bumiputras* a greater share in the nation's economy. This review brought under scrutiny the circumstances in which licences were originally issued, the number of persons benefitting, and the length of time benefits had been enjoyed. As one consequence, of dubious legitimate basis, the licences for the three companies in which Syed Kechik held minority interests were to be terminated on December 31, 1976. He subsequently received

notification that the state government was planning to acquire the ZARA project for public purposes to provide, among other things, for the extension of Kota Kinabalu town. He had expected harassment in the form of procedural delays, but not that they would attempt to take over all 2,453 acres of the project area. About these actions, he could only be philosophical, saying he would bring matters to court to fight for adequate compensation. More stinging than the assaults of Berjaya on his person and property was the indifference of Kuala Lumpur to his plight. He felt he had served the interests of Malaysia for more than a decade and that he deserved at least a gesture of token support in the face of what he regarded as flagrant political persecution. But Kuala Lumpur leaders were not to lift a finger, manifesting another curiosity of Malay behaviour whereby anyone not definitely felt to be in power and favour is perceived *ipso facto* as being out of power and favour and, as a direct consequence, unworthy of even the slightest support. And the more successful the individual, the greater is the secret delight seemingly taken at his decline. Syed Kechik had to stand alone, but stand, he would.

The pressures on Syed Kechik were portrayed by Berjaya as being part of a larger pattern to reverse the policies and programmes set in motion during the Mustapha years, policies and programmes which had benefitted those in Berjaya as much as those in USNO. Eighteen companies, all locally-owned, were informed that their special licences were to be terminated by the state government at the end of 1976. Significantly, the licences of the nominees of Berjaya leaders issued during Tun Mustapha's tenure were not affected by this new policy. And with the prospect of these 18 areas coming under the control of the Chief Minister, representatives of the state government began to offer these to Singapore, Hong Kong, and Tokyo investors. Other areas were sold by auction, in some instances to the same people who had just lost them, and the proceeds were assigned to certain Sabah cooperatives for the establishment of light manufacturing factories—presumably a reward to those expecting more than a little in return for the support given Berjaya in the elections. The Berjaya government also

informed Japanese timber buyers that their sales agreements with the Sabah Foundation would be terminated. This threw into question the ventures of the Foundation undertaken jointly with the Japanese, and it seemed certain the attitudes of Japanese businessmen towards investing in Sabah would change. One immediate effect was that Japanese buyers abandoned their practice of making advances against future purchases—the advances necessary to fund extraction activities.

This was not all. The state government adopted the system of appointing exclusive agents to supply the government with its various requirements, from typewriters to bitumen. One government source estimated that the 15 percent commissions received by these agencies would total more than $40 million a year for a period of five years. But instead of having these functions undertaken by subsidiaries of a government-owned trading corporation, as is the case in the Peninsula, these were undertaken by private companies. When it was pointed out that the private companies appointed as agents belonged to the relatives of state ministers, the government replied in a statement to the press 'that it could not be helped that some companies happened to be owned by people related to politicians.' Apparently under way was a parcelling out of agencies to enable recovery of the expenditures made during the campaign. Berjaya's methods did not differ in kind from those employed by USNO after 1971, but these did differ in degree.

There were also irregularities in the political arena. In the nominations for the July 1976 by-elections, some Pekemas and independent candidates found themselves unable to pay their deposits on the day before nominations because the cashiers had disappeared from nomination centres. When they tried to pay their deposits to returning officers during the nomination period itself, they were told they were too late. In Tuaran and Papar, their nomination papers were rejected for not having the appropriate receipt indicating payment of the deposit. Interestingly, one of the Berjaya candidates returned unopposed was Mohammed Noor Mansoor, who had been released from detention in time to stand for election. Harris's position in his own party had been

weakened by in-fighting, and he needed the support of his old colleague to keep him in place. The expectation was that Mohammed Noor would be given the state finance portfolio and that, as a lawyer and a Muslim, he would consolidate Harris's position in power. Federal leaders indicated their disapproval of Mohammed Noor's assuming the finance post, and the proposed appointment had to be deferred until late September. But with Harris's retaining the finance portfolio in the interim, and Mohammed Noor's working closely with him, the immediate effect was the same.

History seemed to be repeating itself under the guise of clean government and a return to democratic process. Although federal leaders were committed to reverse the pattern of autonomy, Harris was given a free hand, just as Tun Mustapha had been many years before. Although committed to reverse the pattern of leaving Sabah's affairs in the hands of a few people in Kuala Lumpur, they did just this. And although committed to dealing with Sabah less clumsily, this too seemed to be persisting. Shortly after National Front Executive Secretary Khalil Akasah had been in Sabah for the July by-elections, it was announced that four assemblymen and two members of Parliament had resigned from USNO. Dzulkifli immediately sent letters to Front leaders asserting that Berjaya should not be allowed to accept the former USNO members because of the agreement not to accept new members from other parties in the National Front. But a few days later, they were accepted into Berjaya all the same, establishing a precedent which threatened the viability of the Front itself. Subsequently, a few more USNO assemblymen resigned to join Berjaya and reduce USNO's representation in the Assembly to 13 seats. The decision made it appear that federal leaders still regarded Sabah as a distant province with its own set of political rules and that unilateral actions were still being taken without full consideration of possible ramifications. The federal government had what it really wanted: the signed Petronas agreement that would give Kuala Lumpur 95 percent of the profits from Sabah oil; and Tun Mustapha's removal from the levers of autonomous power.

To patch up the differences created by the defections

and consider the ways USNO and Berjaya might cooperate, leaders of the two parties sat together for the first time on August 28. After a two-hour meeting, it was announced that a coalition government had been ruled out, but that the two parties would reduce their politicking to prevent further disunity in the state. It was also announced that USNO leaders would support the Berjaya government in the implementation of the Third Malaysia Plan, the national development plan for the period 1976-80, and urge their members to do the same. But these statements were not the product of joint discussions, for it was Chief Minister Harris Salleh who made all pronouncements. Except for Dzulkifli and Ghani Gilong, USNO officials did little to protest, reflecting their reduced strength and lack of solidarity. The avowed joint statement had been drafted before the meeting and was simply dictated by Harris for USNO to swallow. Once again, one man seemed to be calling all the shots in Sabah, in a style highly reminiscent of the past. The discussions apparently were staged only to satisfy Kuala Lumpur of the rapprochement between the two parties.

Neither did Harris appear to be reserving his tirades for the opposition. Rumblings within Berjaya suggested that all decisions were being made by Harris, as Chief Minister with the power to appoint and dismiss, and by Mohammed Noor, as state Minister of Finance with the power to disburse and withhold funds. Leadership vacuums—such as the one created by the tragic deaths of four of Berjaya's top office bearers—are typically filled by the forceful and decisive. Harris had the experience of more than a dozen years in Sabah politics and government under the tutelage of Tun Mustapha. Mohammed Noor had ambition, although he moved quietly in the first months of his return to Sabah politics. The other Berjaya ministers did not yet possess the vocabulary and repertoire of power politics. As a result, they had to be content to hold on to their positions—in some ways concerned that any moves for a realignment in the state government would offend federal leaders, whom they saw as supporting Harris; in other ways waiting for the green light that would enable them to call for a confidence vote, with Kuala Lumpur's backing, in a meeting of the Berjaya Council.

Harris had some luck on his side in the few months after his accession to power. The federal government gave him their solid support, doubtless concerned about the signing of the Petronas agreement and the possibility of Tun Mustapha's return. The National Front arranged for one Mohammed Sidek Jaafar, who did his undergraduate work at Oxford and his doctoral studies in political science, to be assigned to Sabah for two years as a political adviser to Harris. Sabah politicians gave Harris the benefit of a honeymoon period, to let him do what he could to pick up the pieces. Importantly, timber prices doubled to multiply state revenues and enable Harris's assertions that he and Berjaya were responsible for the return to prosperity. This was coupled with the release of federal funds by the Treasury for development projects associated with the Third Malaysia Plan. But certain other basic realities introduced dimensions of volatility to suggest that the honeymoon had come to an end. The revocation of timber licences and sales agreements established a dangerous precedent, causing many investors, notably the Japanese, to wonder about the worth of a signed agreement with the state government. The proposed establishment of local manufacturing operations by the fortunate cooperatives threw into question the traditional position of the Chinese in importing and retail trade. The Chinese were further intimidated by the state government's revocation of the operating licences for two Chinese language newspapers, owned by pro-Sabah Alliance interests, shortly after a series of articles reminded Berjaya leaders of their campaign promises. The Kadazan community demonstrated increasing concern over the impulsive, autocratic style of the new Chief Minister, who seemed to be acting without regard for his cabinet. In addition, USNO still appeared to enjoy considerable grass-roots support, even though its leadership was less than unified. USNO supporters were unhappy that their party lost in the April elections, disenchanted with the departure of Tun Mustapha and the indecisiveness of Tan Sri Said, but hopeful that the new leadership taking over —Dzulkifli, Askar Hasbollah, and the veteran, Ghani Gilong —would soon secure a stronger voice for their interests in the state Assembly and Parliament.

Given these elements of fundamental instability, it can be posited that further adjustments will be made to create a situation of greater political equilibrium in Malaysia's distant state. Whatever the nature of developments and ultimate course, it can be speculated that Kuala Lumpur will be instrumental in bringing these about and that Syed Kechik may be moving somewhere behind the scenes to work out a formula whereby an accommodation is sought between USNO and the Kadazan and Chinese camps in Berjaya. For the time being, however, federal leaders are sufficiently preoccupied with matters peninsular to be seduced by the satisfaction that the winds of change and conciliation have returned to Sabah—the place known for centuries as the land below the wind.

Abbreviations and Acronyms

*	Alliance	Alliance Party
	Barjasa	Barisan Rakyat Jati Sarawak (=Sarawak True People's Front)
	Berjaya	Bersatu Rakyat Jelata Sabah (=Sabah People's Union)
	Bersatu	Parti Bersatu (=United Party)
	Bumiputera	Party Bumiputera Sarawak (=Sarawak Indigenous People's Party)
	BUNAP	Borneo Utara National Party (=North Borneo National Party)
	DAP	Democratic Action Party
*	Front	Barisan Nasional (=National Front)
	Gerakan	Parti Gerakan Rakyat (=People's Movement Party)
	Machinda	Parti Machinda (from MAlay, CHINese, DAyak)
	MCA	Malaysian (previously Malayan) Chinese Association
	MIC	Malaysian (previously Malayan) Indian Congress
*	national Alliance	Alliance Party
	PANAS	Party Negara Sarawak (=Sarawak National Party)
	PAP	People's Action Party
	PAS	Parti Islam Semalaysia (=Pan-Malayan Islamic Party)
	Pasok Momogun	United Pasok Momogun (=people of the country) National Party
	Pekemas	Parti Keadilan Masyarakat Malaysia (=Social Justice Party)
	Pesaka	Party Pesaka Anak Sarawak
*	Sabah Alliance	Sabah Alliance Party
	SANAP	Sabah National Party (Previously BUNAP)

* Sarawak Alliance	Sarawak Alliance Party
SCA	Sabah Chinese Association
SCA	Sarawak Chinese Association
SIC	Sabah Indian Congress
SNAP	Sarawak National Party
SUPP	Sarawak United People's Party
UMNO	United Malays National Organization
UNKO	United National Kadazan Organization
UPKO	United Pasok-momogun Kadazan Organization
USAP	Union of Sabah People
USAP	United Sabah Action Party
USNO	United Sabah National Organization

* parties comprising other parties which have retained their constitutions, but united in a larger organization on a joint platform.

ASEAN	Association of South-East Asian Nations
CCO	Clandestine Communist Organization
FELDA	Federal Land Development Authority
Foundation	Sabah Foundation
IGC	Inter-Governmental Committee
MARA	Majlis Amanah Rakyat (People's Trust Association)
MIT	MARA Institute of Technology
MSCC	Malaysian Solidarity Consultative Committee
NOC	National Operations Council
Petronas	Petroliam Nasional (=National Petroleum Corporation)
SEDCO	State Economic Development Corporation
SLDB	Sabah Land Development Board
SOC	State Operations Committee
UNMM	United Nations Malaysia Mission
USIA	United Sabah Islamic Association

Sketches of Principal Personalities

Abdullah bin Ahmad, Datuk Haji appointed Press Secretary to the Deputy Prime Minister in 1962 and Political Secretary to the Deputy Prime Minister in 1963; elected member of Parliament in 1974 and appointed Deputy Minister in the Prime Minister's Department; later appointed Deputy Minister of Science, Technology and Environment in the Hussein government; resigned from cabinet in November 1976 and detained the following day under Internal Security Act.

Chong Thain Vun lawyer; losing independent candidate in 1967 Sabah state elections and in 1969 parliamentary elections; founding member of Berjaya; elected to Sabah Legislative Assembly in April 1976; appointed state Minister of Communications and Works in the Fuad government; died in air crash off Kota Kinabalu on June 6, 1976.

Dzulkifli bin Datuk Haji Abdul Hamid, Datuk Haji government servant acting as District Officer from 1965 and Special Assistant Secretary to the Chief Minister from 1967; resigned to join USNO and take up appointed seat in the Sabah Legislative Assembly in 1970, whereupon appointed Assistant Minister to the Chief Minister; appointed Senator in 1974; appointed federal Deputy Minister of Defence in late 1975; resigned from federal cabinet shortly after formation of Berjaya; appointed member of Sabah Legislative Assembly and state Minister of Finance in August 1975; elected acting Deputy President of USNO in August 1976.

Fuad Stephens, Tun Mohammed (formerly Donald) newspaper owner, businessman, and timber merchant; traditional Kadazan leader; member of the early Legislative and Executive Councils; founding President of UNKO (later UPKO); member of MSCC and IGC prior to formation of Malaysia; selected member of Sabah Legislative Assembly and appointed member of Parliament; appointed Chief Minister of Sabah in 1963 and resigned in December 1964; appointed federal Minister for Sabah Affairs in January

1965 and resigned in September 1965; resigned from all political posts and appointments in November 1965; re-elected President of UPKO in December 1966; dissolved UPKO in December 1967; appointed High Commissioner to Australia in 1968; converted to Islam in January 1971; appointed Head of State in September 1973; resigned as Head of State in July 1975 and elected President of Berjaya immediately thereafter; elected to Legislative Assembly in April 1976 and appointed Chief Minister; died in air crash off Kota Kinabalu on June 6, 1976.

Ganie bin Gilong see Ghani bin Gilong, Datuk Haji Abdul.

Ghafar bin Baba, Abdul veteran UMNO politician and a Vice-President of UMNO from 1962 to present; Chief Minister of Malacca from 1957 to 1967; appointed Chairman of MARA in 1967; appointed federal Minister of National and Rural Development in 1971 and federal Minister of Agriculture and Rural Economic Development in 1974; not included in the federal cabinet after the reshuffle of March 1976.

Ghani bin Gilong, Datuk Haji Abdul (formerly Ganie) selected member of Legislative Council in 1962 (later the Sabah Legislative Assembly); appointed member of Parliament in 1963; succeeded Donald Stephens as UPKO President in November 1965; elected to Legislative Assembly in April 1967; joined USNO shortly after UPKO's dissolution in 1967; appointed federal Minister for Sabah Affairs in June 1968; re-elected to Parliament in May 1969; held Ministry of Justice portfolio from May 1969 to September 1970; converted to Islam in August 1970; appointed federal Minister of Transport in September 1970 and subsequently as federal Minister of Works and Power, Works and Transport, and Transport and Utilities; founding Vice-President of Berjaya in July 1975; resigned to rejoin USNO in March 1976; elected second acting Deputy President of USNO in August 1976; continues to hold his federal portfolio.

Harris bin Mohammed Salleh, Datuk government clerk until 1961, when he was appointed as Assistant District Officer; selected member of Sabah Legislative Assembly; appointed state Minister for Local Government in the Stephens government; appointed state Minister of Finance in the Lo government; retained Finance portfolio in the Mustapha government until resignation in 1969; subsequently returned to another portfolio in the Mustapha government; Vice-President of USNO from pre-independence days until his resignation in July 1975; founding President of Berjaya; resigned state Assembly seat in November 1975 and lost by-election in December 1975; elected to state Assembly in April 1976; appointed Deputy Chief Minister, holding the Rural Development portfolio, in the Fuad government; succeeded Tun Fuad as Chief Minister of Sabah in June 1976.

Hussein bin Datuk Onn, Datuk early career in the military; Secretary-General of UMNO and Head of UMNO Youth until his father, Datuk Onn bin Ja'afar, the party's founding President, resigned in 1951 to form the Independence of Malaya Party; member of the early Johore Legislative and Executive Councils; rejoined UMNO in 1964; elected to UMNO Executive

Committee in 1969 and became an UMNO Vice-President in 1972, Deputy President in 1973, and acting President in 1976; elected member of Parliament in 1969 and appointed federal Minister of Education in 1970; subsequently appointed Minister of Trade and Industry; appointed Deputy Prime Minister, holding the Finance portfolio, in 1973; succeeded Tun Razak as Prime Minister in January 1976.

Jugah anak Bareng, Tan Sri Dato Temenggong traditional leader of Third Division Ibans; early Council Negeri member; left PANAS to form Pesaka as founding President in July 1962; appointed member of Parliament and federal Minister for Sarawak Affairs in 1963; re-elected to Parliament in 1970 and reappointed to his cabinet post; subsequently resigned from federal cabinet.

Kana, Thomas hospital assistant with Brunei Shell Oil Company until early 1960s; appointed member of Parliament; elected Secretary-General of Pesaka in 1965; shadow chief minister during the early tenure of Tawi Sli and influential in the ouster of Ningkan; elected to Council Negeri in 1970.

Khoo Siak Chiew, Datuk businessman and timber merchant; member of the early Sabah Legislative and Executive Councils; founding Chairman of the United Party, Secretary-General of BUNAP (later SANAP), and a President of the SCA; also Chairman of the Sabah Alliance in 1964-65; selected to Sabah Legislative Assembly; appointed state Minister of Communications and Works in 1963; appointed Deputy Chief Minister in 1967 and served until 1969, when the post was temporarily abolished.

Ling Beng Siew businessman; President of the SCA and influential in the Sarawak Alliance until the coalition government was formed in 1970.

Lo Su Yin, Datuk Peter lawyer; selected to Legislative Council (later the Sabah Legislative Assembly) in 1962; appointed member of Parliament in 1963 and became federal Minister without Portfolio in 1964; Secretary-General of the United Party and its successors, BUNAP and SANAP; elected a President of the SCA on its formation in 1965 and later became Chairman; appointed Chief Minister of Sabah following the December 1964 cabinet crisis; lost his Legislative Assembly seat in the 1967 state elections; elected member of Parliament in 1970.

Mahathir bin Mohamad, Dr. government medical officer from 1953 and private practitioner from 1957; elected member of Parliament in 1964 and member of UMNO Supreme Council in 1965; lost parliamentary seat in 1969 elections and expelled from UMNO; readmitted to UMNO and re-elected to UMNO Supreme Council in 1972; elected UMNO Vice-President in 1975 and became acting Deputy President in 1976; appointed Senator and Chairman of Food Industries of Malaysia, a statutory body, in 1973; elected member of Parliament in August 1974 and appointed federal Minister of Education; appointed Deputy Prime Minister in March 1976, retaining the Education portfolio.

Mohammed Noor bin Haji Mansoor lawyer and businessman; succeeded Syed Kechik as Secretary-General of USIA; dismissed as Director of Establishment by State Public Services Commission in 1973; founding Secretary-General of Berjaya; detained under Internal Security Act in March 1976; released in July 1976 and elected to Sabah Legislative Assembly; appointed state Minister of Finance in the Harris government in September 1976.

Mojuntin, Datuk Peter Joinod founding Secretary-General of UNKO (later UPKO); appointed member of Parliament in 1964; resigned as Secretary-General of UPKO in November 1965, but resumed post in December 1966; elected to Sabah Legislative Assembly in 1967; re-elected to Legislative Assembly in 1971; appointed state Assistant Minister for Industrial Development in 1972; resigned as Vice-President of USNO to become founding Treasurer of Berjaya; re-elected to Sabah Legislative Assembly in April 1976 and appointed state Minister of Local Government and Housing; died in air crash off Kota Kinabalu on June 6, 1976.

Mustapha bin Datu Harun, Tun Datu Haji traditional Suluk leader and native chief in Kudat; member of the early Legislative and Executive Councils; founding President of USNO; member of MSCC and IGC prior to formation of Malaysia; appointed Sabah Head of State in September 1963; stepped down in September 1965 to resume leadership of USNO; appointed member of Parliament and federal Minister for Sabah Affairs and Civil Defence in July 1966; resigned federal post when elected member of Sabah Legislative Assembly in April 1967; appointed Chief Minister of Sabah in May 1967; returned unopposed to his federal seat in 1969 and 1974; designated Minister of Defence after the 1974 general elections, but did not take up the post; resigned as Chief Minister in October 1975; re-elected to Sabah Legislative Assembly in 1976; resigned as President of USNO in July 1976.

Ningkan, Datuk Stephen Kalong hospital assistant with the Brunei Shell Oil Company until 1961; elected Secretary-General of SNAP in 1961, Chairman in 1964, and President in 1971; founder of the Sarawak United Front, which became the Sarawak Alliance Party, and acted as Secretary-General from 1962 to 1966; selected member of Council Negeri in 1963 and re-elected in 1970; Chief Minister of Sarawak from 1963 to 1966; opposition leader in the Council Negeri after October 1966; now in business.

Ong Kee Hui, Tan Sri Datuk agricultural officer; founding Chairman of SUPP; early Council Negeri member and selected to Council Negeri in 1963; lost state seat in 1970 elections, but elected member of Parliament; appointed federal Minister of Technology, Research and Local Government in 1970, federal Minister of Local Government and Housing in 1973, and federal Minister for Local Government and Environment in 1974.

Ongkili, Datuk James P. until 1975, a lecturer with the University of Malaya History Department; founding member of Berjaya; author of *Modernization in East Malaysia, 1960-1970* and numerous articles on Sabah politics; elected to Sabah Legislative Assembly in April 1976; appointed state

Minister of Agriculture and Fisheries in the Fuad government and Deputy Chief Minister in the Harris government.

Rahman bin Yakub, Datuk Patinggi Haji Abdul government legal officer; guiding force in formation of Barjasa and subsequently appointed Chairman; appointed Executive Secretary of Sarawak Alliance in 1963 and Chairman of Sarawak Alliance in 1971; lost bid for Council Negeri seat in 1963, thus squelching Kuala Lumpur's plan to have him appointed Chief Minister; appointed member of Parliament in 1963 and re-elected in 1970 and 1974; elected member of Council Negeri in 1970 and re-elected in 1974; appointed federal Assistant Minister for Justice and Rural Development (directly under Tun Razak) in 1963; appointed federal Minister for Lands and Mines in 1965; appointed federal Minister of Education in 1969; appointed Chief Minister of Sarawak in July 1970 and assumed the state Lands and Forestry portfolio in 1972.

Razak bin Datuk Hussein Al-Haj, Tun Haji Abdul joined UMNO in 1950; elected Deputy President of UMNO in 1951 and President in 1971; elected member of Parliament in 1955 and re-elected in 1959, 1964, 1969, and 1974; appointed federal Minister of Education in June 1955; appointed Deputy Prime Minister and federal Minister of Defence in 1957; added Rural Development portfolio in 1959 which became National and Rural Development in 1964; appointed Prime Minister in September 1970; died in London on January 14, 1976.

Said bin Keruak, Tan Sri Mohammed after 22 years in the government service, selected member of the Legislative Council (later the Sabah Legislative Assembly) in 1963; appointed state Minister of Agriculture and Fisheries in 1963; appointed Deputy Chief Minister in 1970; appointed Chief Minister of Sabah in November 1975 and served until April 1976; elected acting President of USNO in August 1976.

Senu bin Abdul Rahman, Datuk appointed Ambassador to Indonesia in 1957 and to the Federal Republic of Germany in 1962; elected member of Parliament in 1964 and appointed federal Minister of Information and Broadcasting; elected Head of UMNO Youth in 1965 (until 1971); lost parliamentary seat in 1969 elections; subsequently elected Secretary-General of UMNO, which position he still holds; elected member of Parliament in a 1973 by-election and re-elected in 1974.

Stephens, Donald see Fuad Stephens, Tun Mohamad

Syed Kechik bin Syed Mohamed; Datuk lawyer and businessman; appointed Political Secretary to Minister of Information and Broadcasting from 1965 to 1967 with brief stint as Political Secretary to Minister for Sabah Affairs and Civil Defence; appointed Director of the Sabah Foundation in 1967; resigned from UMNO to join USNO in early 1968; appointed legal adviser to USNO and member of USNO Central Executive Committee in 1968; appointed Senator in September 1973; appointed member and Deputy Speaker of Sabah Legislative Assembly in September 1975; resigned as Director of Sabah Foundation in June 1976.

Taib bin Mahmud, Datuk Amar Haji Abdul government legal officer; resigned to become Assistant Chairman of Barjasa; elected Secretary-General of Bumiputera on its formation in November 1966 and Deputy President in 1972; nominated member of Council Negeri in 1963; appointed state Minister of Communications and Works in 1963, dismissed in May 1965, reinstated shortly thereafter, and dismissed again in June 1966; appointed state Minister of Agriculture and Forestry in June 1966 and state Minister of Development and Forestry in August 1966, holding this until November 1967; appointed member of Parliament in 1969 and federal Assistant Minister of Commerce; appointed Deputy Minister in the Prime Minister's Department in 1971 and has subsequently held various federal portfolios—Information and Broadcasting, General Planning and Socio-economic Research, and now Information.

Tawi Sli, Datuk Penghulu former petition writer; selected to Council Negeri in 1963; resigned from SNAP to join Pesaka in late 1965; appointed Chief Minister of Sarawak in June 1966 and served until July 1970, except for the period of Ningkan's reinstatement during September 1966.

Tengku Abdul Rahman Putra Al-Haj veteran politician and statesman; elected President of UMNO in 1951; appointed Chief Minister of Malaya in 1955; Prime Minister of the Federation of Malaya from 1957 to 1963; Prime Minister of Malaysia from 1963 to 1970.

Tengku Razaleigh bin Tengku Hamzah, Tan Sri elected member of Kelantan State Assembly; appointed Chairman of PERNAS, the National Corporation; appointed Managing Director and Chairman of Bank Bumiputra in 1970; appointed Chairman of Petronas, the National Petroleum Corporation, in 1974 with the status of cabinet minister; elected member of Parliament in 1974 elections; elected Vice-President of UMNO in 1975; appointed Minister of Finance in March 1976 and later relinquished the Petronas post.

Tunku, the see Tengku Abdul Rahman Putra Al-Haj

Wong Kim Min, Datuk James merchant and businessman; selected independent member of Council Negeri in 1963; joined SNAP as Deputy Chairman in 1963 and appointed Deputy Chief Minister in the Ningkan government; elected member of Parliament in 1970; leader of opposition until detention in 1974 under the Internal Security Act; released in 1975 with the proviso that he stay out of politics.

Yong Kuet Tze, Datuk Stephen lawyer and businessman; founding Secretary-General of SUPP; appointed member of Council Negeri in 1963; re-elected to Council Negeri in 1970 and elected to Parliament in the same elections; appointed Deputy Chief Minister in the first Rahman government.

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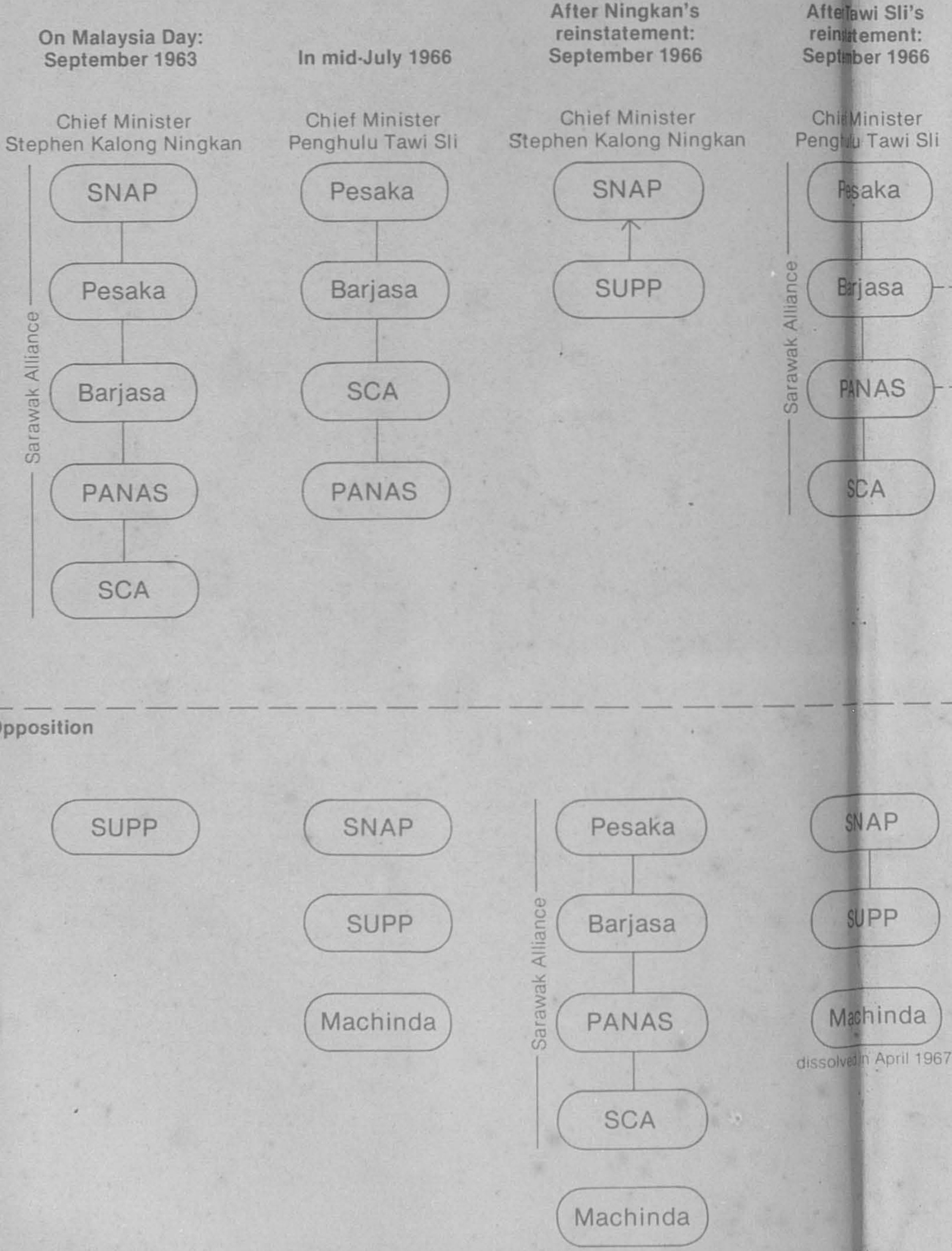
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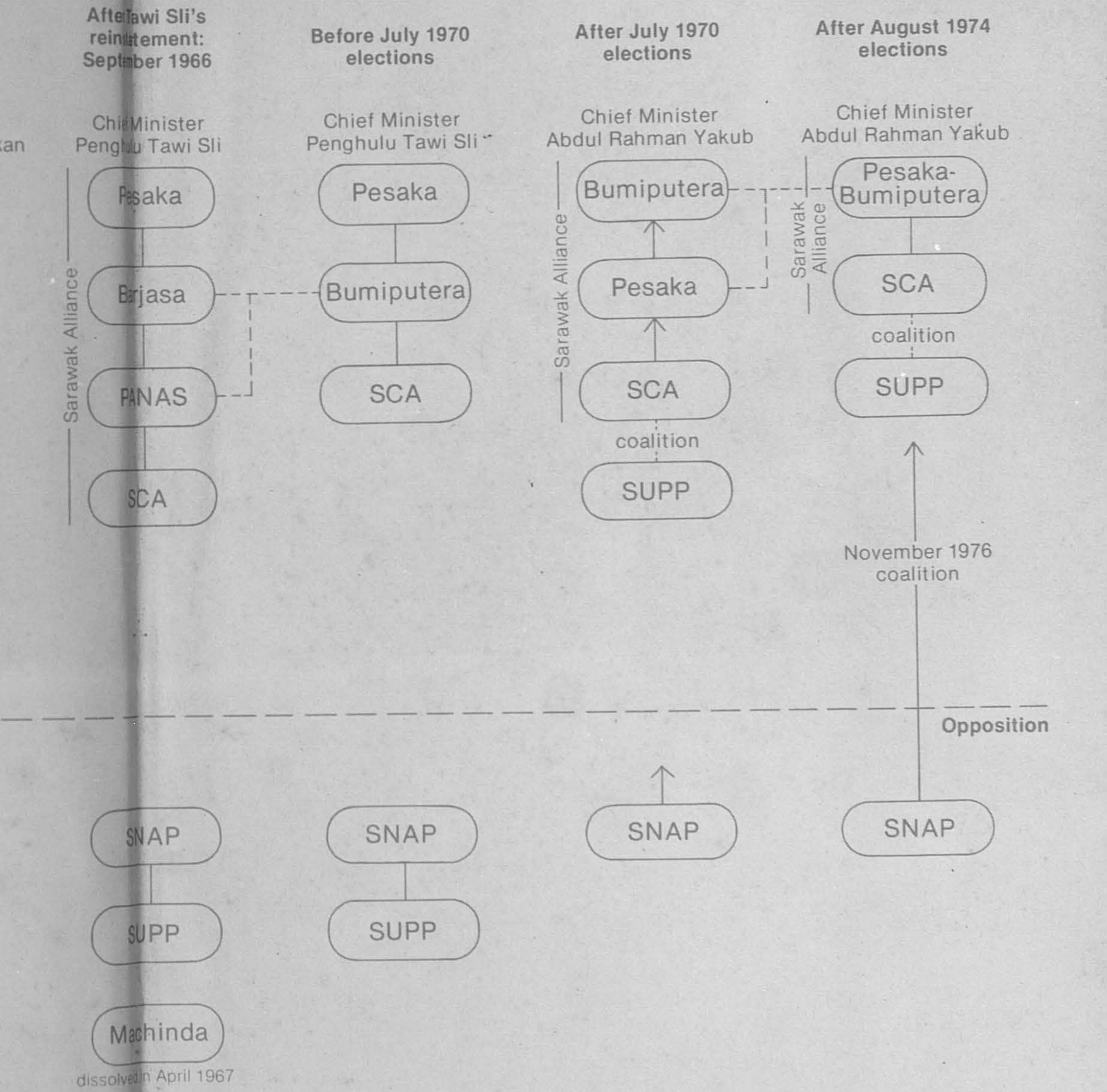
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Party Composition of Sarawa



...sition of Sarawak Governments



Prominent party leaders (to 1970)

Bumiputera: *Abdul Rahman Yakub, Taib Mahmud.* ***Pesaka:*** *Tan Sri Jugah, Thomas Kana, Penghulu Tawi Sli.* ***SCA:*** *Ling Beng Siew.* ***SNAP:*** *Stephen Kalong Ningkan, James Wong.* ***SUPP:*** *Ong Kee Hui, Stephen Yong.*

When Malaysia was formed in 1963 to amalgamate the independent Federation of Malaya with the British colonies of Singapore, Sarawak, and Sabah, there was more optimism about joint prospects than understanding of the problems involved in forging a new state and nation. The first years were fraught with difficulties, both political and constitutional, that resulted in the separation of Singapore in 1965 and in threats of secession in Sarawak and Sabah. Although these threats were greatest in the months immediately following the Singapore separation, secessionist sentiment in the East Malaysian states persisted well into the 1970s.

In late 1965, a Malay lawyer by the name of Syed Kechik was instructed by Kuala Lumpur's top leadership to go to Sabah to do what he could for the cause of federalism. He thought he would be away from the federal capital for a few months at most, but ended up staying there permanently. Initially, he acted as an arm of federal persuasion. Subsequently, he was instrumental to the rise and reign of Tun Mustapha as Chief Minister of Sabah. His influence spread on occasion to Sarawak, where he was also involved in shaping fundamental political circumstances. This book is the account of Syed Kechik's influence on the course of politics in Sabah and Sarawak, and of the influence of those politics on his life.

The author graduated from Yale in 1966 and joined the Peace Corps for two years' service in Kenya. He returned to the United States to work in banking and institutional investment, and in 1970 and 1971 undertook the writing and photography for a series of eight books published by the U.S.-based Creative Educational Society. Ross-Larson arrived in Malaysia in 1972 and became a lecturer at the Mara Institute of Technology's School of Mass Communications. He edited *Sabah and the Sabah Foundation*, published in 1974, and together with three Malaysians authored *Contemporary Issues in Malaysia*, to be published in 1977 by Heinemann Educational Books. He currently is writing *Malaysia: 2001*, also to be published in 1977.

S/M $7.50 (US $4.00 postpaid)